

CITY OF OPELOUSAS, LOUISIANA
FINANCIAL REPORT
YEAR ENDED AUGUST 31, 2009

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 4/14/10

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INDEPENDENT AUDITOR'S REPORT

To the Honorable Donald Cravins, Sr., Mayor
 and the Board of Aldermen and Alderwomen
 City of Opelousas, Louisiana

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Opelousas, Louisiana, as of and for the year ended August 31, 2009, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Opelousas, Louisiana's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Opelousas, Louisiana, as of August 31, 2009, and the respective changes in financial position and where applicable, cash flows, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated February 27, 2010 on our consideration of the City of Opelousas' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and important for assessing the results of our audit.

To the Honorable Donald Cravins, Sr., Mayor
and the Board of Aldermen and Alderwomen
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The other required supplementary information on pages 53 through 56 is not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

The City of Opelousas, Louisiana, has not presented management's discussion and analysis that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be part of, the financial statements.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Opelousas' basic financial statements. The other supplementary information on pages 57 through 95 and pages 108 and 109 are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by United States Office of Management and Budget Circular A-133, "Audits of States, Local Governments and Nonprofit Organizations," and is also not a required part of the basic financial statements of the City of Opelousas. The other supplementary information on pages 57 through 95 and the Schedule of Expenditures of Federal Awards have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole. The other supplementary information on pages 108 and 109 have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

John S. Dowling & Company

Opelousas, Louisiana
February 27, 2010

BASIC FINANCIAL STATEMENTS

The City of Opelousas basic financial statements comprise the following three components:

Government-wide financial statements - provide readers with a broad overview of the City of Opelousas' finances in a manner similar to a private sector business.

Fund financial statements - provide readers information with an emphasis on inflows and outflows of resources useful for making decisions in a budgetary context where the focus is on meeting the City's near-term financial needs.

Notes to financial statements - provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

CITY OF OPELOUSAS, LOUISIANA
STATEMENT OF NET ASSETS
AUGUST 31, 2009

<u>ASSETS</u>	PRIMARY GOVERNMENT		TOTAL
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	
Cash and cash equivalents	\$ 8,489,353	\$ 194,112	\$ 8,683,465
Receivables (net of allowances for uncollectibles)	1,255,712	2,235,192	3,490,904
Internal balances	32,188	(32,188)	-
Due from other governments	1,057,162	-	1,057,162
Inventory	43,914	73,152	117,066
Restricted assets	88,332	7,034,583	7,122,915
Bond issue costs, net	47,359	437,645	485,004
Capital assets (net)	18,526,280	24,949,496	43,475,776
<u>Total assets</u>	<u>29,540,300</u>	<u>34,891,992</u>	<u>64,432,292</u>
<u>LIABILITIES</u>			
Accounts payable and accrued expenses	1,197,439	138,781	1,336,220
Construction payable	-	649,730	649,730
Interest payable	7,580	-	7,580
Due to other government units	394,471	-	394,471
Payable from restricted assets	949,413	899,744	1,849,157
Taxes paid under protest	2,579	-	2,579
Long-term liabilities			
Due within one year	690,326	1,109,000	1,799,326
Due in more than one year	6,111,430	17,760,430	23,871,860
<u>Total liabilities</u>	<u>9,353,238</u>	<u>20,557,685</u>	<u>29,910,923</u>
<u>NET ASSETS</u>			
Invested in capital assets, net of related debt	13,387,992	7,673,538	21,061,530
Restricted for:			
Insurance claims	151,453	-	151,453
Debt service	85,473	2,851,732	2,937,205
Customers' deposits	-	421,523	421,523
Protest taxes	280	-	280
Construction	155,532	2,356,584	2,512,116
Grant provisions	-	253,313	253,313
Unrestricted	6,406,332	777,617	7,183,949
<u>Total net assets</u>	<u>20,187,062</u>	<u>14,334,307</u>	<u>34,521,369</u>

The accompanying notes are an integral part of this statement.

CITY OF OPELOUSAS, LOUISIANA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED AUGUST 31, 2009

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			NET (EXPENSES) REVENUES AND CHANGES IN NET ASSETS		
	EXPENSES	FEES, FINES AND CHARGES FOR SERVICES		GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
		OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS			
Governmental Activities						
General government	\$ 2,135,086	\$ -	\$ -	\$ (2,097,016)	\$ -	\$ (2,097,016)
Public safety	8,099,651	296,912	\$ 271,250	(7,231,801)	-	(7,231,801)
Public works	2,064,301	4,652	-	(1,750,944)	-	(1,750,944)
Health and welfare	487,445	90,260	-	(370,666)	-	(370,666)
Culture and recreation	1,880,270	77,208	-	(1,699,696)	-	(1,699,696)
Economic development	168,483	-	80,000	(88,483)	-	(88,483)
Insurance claims and costs	1,360,085	-	-	(1,360,085)	-	(1,360,085)
Interest and fees on debt	259,113	-	-	(259,113)	-	(259,113)
<u>Total governmental activities</u>	<u>16,454,434</u>	<u>469,032</u>	<u>351,250</u>	<u>(14,857,804)</u>	<u>-</u>	<u>(14,857,804)</u>
Business-type Activities						
Electric Light and Waterworks	2,996,470	4,135,993	-	-	1,139,523	1,139,523
Sewer	1,949,807	1,730,449	-	-	(219,358)	(219,358)
ORECD	54	11,185	-	-	11,131	11,131
<u>Total business-type activities</u>	<u>4,946,331</u>	<u>5,877,627</u>	<u>-</u>	<u>-</u>	<u>931,296</u>	<u>931,296</u>
<u>Total primary government</u>	<u>21,400,765</u>	<u>6,346,659</u>	<u>351,250</u>	<u>(14,857,804)</u>	<u>931,296</u>	<u>(13,926,508)</u>
General Revenues						
Taxes						
Property taxes, levied for general purposes				1,035,474	-	1,035,474
Sales taxes, levied for general purposes				9,345,737	-	9,345,737
Franchise taxes				1,206,800	-	1,206,800
Interest and investment earnings				306,755	254,287	561,042
Occupational licenses and other permits				808,960	-	808,960

Continued on next page.

The accompanying notes are an integral part of this statement.

CITY OF OPELOUSAS, LOUISIANA
STATEMENT OF ACTIVITIES - (CONTINUED)
FOR THE YEAR ENDED AUGUST 31, 2009

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES			NET (EXPENSES) REVENUES AND CHANGES IN NET ASSETS		
		FEES, FINES AND CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
Racino income					\$ 408,902	\$ -	\$ 408,902
Video poker revenue					107,064	-	107,064
State beer tax					49,221	-	49,221
Hotel / Motel tax					94,672	-	94,672
Insurance rebate					69,562	-	69,562
Miscellaneous					655,822	-	655,822
Loss on capital assets retired					(279,212)	-	(279,212)
Transfers					1,246,113	(1,246,113)	
<u>Total general revenues and transfers</u>					<u>15,055,870</u>	<u>(991,826)</u>	<u>14,064,044</u>
<u>Change in net assets</u>					198,066	(60,530)	137,536
Net assets - September 1, 2008					19,988,996	14,394,837	34,383,833
Net assets - August 31, 2009					<u>20,187,062</u>	<u>14,334,307</u>	<u>34,521,369</u>

The accompanying notes are an integral part of this statement.

FUND FINANCIAL STATEMENTS

CITY OF OPELOUSAS, LOUISIANA
BALANCE SHEET
GOVERNMENTAL FUNDS
AUGUST 31, 2009

	<u>GENERAL</u>	<u>SALES TAX</u>	<u>OTHER GOVERNMENTAL</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
<u>ASSETS</u>				
Cash and cash equivalents	\$1,300,733	\$5,635,594	\$ 86,281	\$7,022,608
Receivables, net of for uncollectibles -				
Accounts	-	17,800	947,902	965,702
Due from other funds	528,527	500,000	-	1,028,527
Due from other governmental units	1,057,105	-	-	1,057,105
Inventory - at cost	43,914	-	-	43,914
Cash - restricted	243,864	-	-	243,864
<u>Total assets</u>	<u>3,174,143</u>	<u>6,153,394</u>	<u>1,034,183</u>	<u>10,361,720</u>
<u>LIABILITIES AND FUND BALANCES</u>				
<u>LIABILITIES</u>				
Accounts payable and accrued expenses	\$1,216,051	\$ 17,622	\$ 3,172	\$1,236,845
Deferred revenue - protest taxes	2,579	-	-	2,579
Due to other funds	449,087	-	36	449,123
Due to other governmental units	394,471	-	-	394,471
Accrued compensated absences	70,291	-	-	70,291
<u>Total liabilities</u>	<u>2,132,479</u>	<u>17,622</u>	<u>3,208</u>	<u>2,153,309</u>
<u>FUND BALANCES</u>				
Reserved for debt service	85,473	-	-	85,473
Reserved for construction	155,532	-	-	155,532
Reserved for inventory	43,914	-	-	43,914
Reserved for protest taxes	280	-	-	280
Unreserved, undesignated				
General Fund	756,465	-	-	756,465
Special Revenue funds	-	6,135,772	42,554	6,178,326
Debt Service funds	-	-	972,098	972,098
Capital Projects funds	-	-	16,323	16,323
<u>Total fund balances</u>	<u>1,041,664</u>	<u>6,135,772</u>	<u>1,030,975</u>	<u>8,208,411</u>
<u>Total liabilities and fund balances</u>	<u>3,174,143</u>	<u>6,153,394</u>	<u>1,034,183</u>	<u>10,361,720</u>

The accompanying notes are an integral part of this statement.

CITY OF OPELOUSAS, LOUISIANA
RECONCILIATION OF THE GOVERNMENTAL FUNDS' BALANCE SHEET
TO THE STATEMENT OF NET ASSETS
AUGUST 31, 2009

Total fund balances for governmental funds at August 31, 2009		\$8,208,411
Cost of capital assets at August 31, 2009	\$29,846,996	
Less: Accumulated depreciation as of August 31, 2009	<u>(11,320,716)</u>	18,526,280
Long-term liabilities at August 31, 2009		
Bonds payable	(4,940,000)	
Capital leases payable	(356,499)	
Compensated absences	(797,485)	
Municipal Police Employees' Retirement payable	<u>(637,482)</u>	(6,731,466)
Bond issue costs, net		47,359
Interest payable on an accrual basis		(7,580)
Assets and liabilities of Internal Service Funds - \$151,453 less net capital assets included above of \$7,395		<u>144,058</u>
Net assets at August 31, 2009		<u><u>20,187,062</u></u>

The accompanying notes are an integral part of this statement.

CITY OF OPELOUSAS, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED AUGUST 31, 2009

	<u>GENERAL</u>	<u>SALES TAX</u>	<u>OTHER GOVERNMENTAL</u>	<u>TOTAL</u>
<u>REVENUES</u>				
Taxes	\$ 2,164,354	\$9,345,737	\$ -	\$11,510,091
Licenses and permits	808,960	-	-	808,960
Intergovernmental	1,975,439	-	26,519	2,001,958
Public safety	-	-	43,137	43,137
Charges for services	177,638	-	-	177,638
Fines and forfeitures	127,764	-	-	127,764
Investment earnings	-	-	3,801	3,801
Other	503,595	140,931	56,392	700,918
<u>Total revenues</u>	<u>5,757,750</u>	<u>9,486,668</u>	<u>129,849</u>	<u>15,374,267</u>
<u>EXPENDITURES</u>				
Current				
General government	1,873,811	145,404	12,900	2,032,115
Public safety	7,803,436	-	54,708	7,858,144
Public works	1,689,096	-	43,788	1,732,884
Health and welfare	461,214	-	-	461,214
Culture and recreation	1,543,448	222,000	-	1,765,448
Economic development	168,222	-	-	168,222
Capital outlay	1,451,853	-	38,810	1,490,663
Debt service				
Principal, interest, and other charges	789,318	-	-	789,318
<u>Total expenditures</u>	<u>15,780,398</u>	<u>367,404</u>	<u>150,206</u>	<u>16,298,008</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>	<u>(10,022,648)</u>	<u>9,119,264</u>	<u>(20,357)</u>	<u>(923,741)</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Operating transfers in	9,787,550	-	-	9,787,550
Sale of capital assets	33,090	-	-	33,090
Operating transfers out	(155,000)	(8,691,437)	-	(8,846,437)
<u>Total other financing sources (uses)</u>	<u>9,665,640</u>	<u>(8,691,437)</u>	<u>-</u>	<u>974,203</u>

Continued on next page.

The accompanying notes are an integral part of this statement.

CITY OF OPELOUSAS, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES- (CONTINUED)
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED AUGUST 31, 2009

	<u>GENERAL</u>	<u>SALES TAX</u>	<u>OTHER GOVERNMENTAL</u>	<u>TOTAL</u>
<u>NET CHANGE IN FUND BALANCES</u>	\$(357,008)	\$ 427,827	\$ (20,357)	\$ 50,462
<u>FUND BALANCES,</u> beginning of year	<u>1,398,672</u>	<u>5,707,945</u>	<u>1,051,332</u>	<u>8,157,949</u>
<u>FUND BALANCES,</u> end of year	<u>1,041,664</u>	<u>6,135,772</u>	<u>1,030,975</u>	<u>8,208,411</u>

The accompanying notes are an integral part of this statement.

CITY OF OPELOUSAS, LOUISIANA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED AUGUST 31, 2009

Total net change in fund balances for the year ended August 31, 2009 per Statement of Revenues, Expenditures, and Changes in Fund Balances		\$50,462
Capital outlay which is considered expenditures on Statement of Revenues, Expenditures and Changes in Fund Balances	\$1,490,663	
Depreciation expense for the year ended August 31, 2009	<u>(903,354)</u>	587,309
Book value of assets retired		(63,722)
Bond principal retirement considered an expenditure on Statement of Revenues, Expenditures and Changes in Fund Balances		368,000
Net income of the Internal Service Funds not included on Statement of Activities		(992,333)
Increase in long-term compensated absences		(17,035)
Amortization on bond issue costs		(4,676)
Change in long-term debt:		
Capital leases payable	166,881	
Municipal Police Employees' Retirement payable	101,968	
Interest payable	<u>1,212</u>	<u>270,061</u>
<u>Total change in net assets for the year ended August 31, 2009 per Statement of Activities</u>		<u>198,066</u>

The accompanying notes are an integral part of this statement.

CITY OF OPELOUSAS, LOUISIANA
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
AUGUST 31, 2009

ASSETS	BUSINESS-TYPE ACTIVITIES-ENTERPRISE FUNDS				GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUND
	ELECTRIC LIGHT AND WATERWORKS	SEWER	OTHER ENTERPRISE	TOTAL ENTERPRISE FUNDS	
<u>CURRENT ASSETS</u>					
Cash and cash equivalents	\$ 20,326	\$ 124,443	\$ 49,343	\$ 194,112	\$ 1,311,213
Receivables, (net where applicable of of uncollectibles)					
Customers	689,328	507,905	-	1,197,233	-
Notes	-	-	191,058	191,058	-
Other	184,255	649,730	12,916	846,901	290,010
Due from other funds	99,338	279,125	-	378,463	555
Inventories	29,417	43,735	-	73,152	-
<u>Total current assets</u>	<u>1,022,664</u>	<u>1,604,938</u>	<u>253,317</u>	<u>2,880,919</u>	<u>1,601,778</u>
<u>RESTRICTED ASSETS</u>					
Cash and cash equivalents	7,033,260	1,323	-	7,034,583	-
<u>Total restricted assets</u>	<u>7,033,260</u>	<u>1,323</u>	<u>-</u>	<u>7,034,583</u>	<u>-</u>
<u>PROPERTY, PLANT AND EQUIPMENT</u>					
Property, plant and equipment	31,256,360	23,524,266	-	54,780,626	14,093
Less: accumulated depreciation	(19,839,582)	(9,991,548)	-	(29,831,130)	(6,697)
<u>Net property, plant and equipment</u>	<u>11,416,778</u>	<u>13,532,718</u>	<u>-</u>	<u>24,949,496</u>	<u>7,396</u>
<u>OTHER</u>					
Deferred financing costs	405,955	31,690	-	437,645	-
<u>Total assets</u>	<u>19,878,657</u>	<u>15,170,669</u>	<u>253,317</u>	<u>35,302,643</u>	<u>1,609,174</u>

Continued on next page.

The accompanying notes are an integral part of this statement.

CITY OF OPELOUSAS, LOUISIANA
STATEMENT OF NET ASSETS - (CONTINUED)
PROPRIETARY FUNDS
AUGUST 31, 2009

LIABILITIES	BUSINESS-TYPE ACTIVITIES-ENTERPRISE FUNDS				GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUND
	ELECTRIC LIGHT AND WATERWORKS	SEWER	OTHER ENTERPRISE	TOTAL ENTERPRISE FUNDS	
<u>CURRENT LIABILITIES (from current assets)</u>					
Accounts payable	\$ 85,029	\$ 29,647	\$ 4	\$ 114,680	\$ 12,753
Claims payable					949,413
Due to other funds	416,719	18,033	-	434,752	495,555
Bonds payable	-	604,000	-	604,000	-
Construction payable	-	649,730	-	649,730	-
Total	<u>501,748</u>	<u>1,301,410</u>	<u>4</u>	<u>1,803,162</u>	<u>1,457,721</u>
<u>CURRENT LIABILITIES (from restricted assets)</u>					
Bonds payable within one year	505,000	-	-	505,000	-
Construction payable	98,349	-	-	98,349	-
Customers' meter deposits	801,395	-	-	801,395	-
Total	<u>1,404,744</u>	<u>-</u>	<u>-</u>	<u>1,404,744</u>	<u>-</u>
Total current liabilities	<u>1,906,492</u>	<u>1,301,410</u>	<u>4</u>	<u>3,207,906</u>	<u>1,457,721</u>
<u>LONG-TERM LIABILITIES</u>					
Revenue bonds payable	9,560,000	8,153,603	-	17,713,603	-
Compensated absences	36,865	9,962	-	46,827	-
Total long-term liabilities	<u>9,596,865</u>	<u>8,163,565</u>	<u>-</u>	<u>17,760,430</u>	<u>-</u>
Total liabilities	<u>11,503,357</u>	<u>9,464,975</u>	<u>4</u>	<u>20,968,336</u>	<u>1,457,721</u>

Continued on next page.
The accompanying notes are an integral part of this statement.

CITY OF OPELOUSAS, LOUISIANA
STATEMENT OF NET ASSETS - (CONTINUED)
PROPRIETARY FUNDS
AUGUST 31, 2009

NET ASSETS	BUSINESS-TYPE ACTIVITIES-ENTERPRISE FUNDS				GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUND
	ELECTRIC LIGHT AND WATERWORKS	SEWER	OTHER ENTERPRISE	TOTAL ENTERPRISE FUNDS	
Invested in capital assets, net of related debt	\$2,262,733	\$5,410,805	\$ -	\$ 7,673,538	\$ -
Restricted for:					
Insurance claims	-	-	-	-	151,453
Bond retirement	2,851,732	-	-	2,851,732	-
Construction	2,355,261	1,323	-	2,356,584	-
Customers' meter deposits	421,523	-	-	421,523	-
Grant provisions	-	-	253,313	253,313	-
Unrestricted	484,051	293,566	-	777,617	-
Total net assets	<u>8,375,300</u>	<u>5,705,694</u>	<u>253,313</u>	<u>14,334,307</u>	<u>151,453</u>

The accompanying notes are an integral part of this statement.

CITY OF OPELOUSAS, LOUISIANA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
PROPRIETARY FUNDS
FOR THE YEAR ENDED AUGUST 31, 2009

	BUSINESS-TYPE ACTIVITIES-ENTERPRISE FUNDS			GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUND
	ELECTRIC LIGHT AND WATERWORKS	SEWER	OTHER ENTERPRISE	
				TOTAL ENTERPRISE FUNDS
<u>OPERATING REVENUES</u>				
Charges for services				
Utilities	\$3,719,412	\$1,700,219	\$ -	\$5,419,631
Interest	-	-	11,185	11,185
Premiums	-	-	-	-
Other	39,102	30,230	-	69,332
Total operating revenues	<u>3,758,514</u>	<u>1,730,449</u>	<u>11,185</u>	<u>5,500,148</u>
				\$ -
				1,807,143
				<u>1,216</u>
				<u>1,808,359</u>
<u>OPERATING EXPENSES</u>				
Personal services	810,106	207,304	-	1,017,410
Supplies and materials	324,477	40,767	54	365,298
Other services and charges	741,076	566,129	-	1,307,205
Repairs and maintenance	230,892	218,827	-	449,719
Depreciation	448,708	588,395	-	1,037,103
Total operating expenses	<u>2,555,259</u>	<u>1,621,422</u>	<u>54</u>	<u>4,176,735</u>
				<u>3,168,444</u>
<u>OPERATING INCOME (LOSS)</u>	<u>1,203,255</u>	<u>109,027</u>	<u>11,131</u>	<u>(1,360,085)</u>
<u>NON-OPERATING REVENUES (EXPENSES)</u>				
Investment income	250,017	4,270	-	254,287
LCDB grant proceeds	-	-	-	-
Cleco surcharge	377,479	-	-	377,479
Interest and fiscal charges	(441,211)	(328,385)	-	(769,596)
Total non-operating revenues (expenses)	<u>186,285</u>	<u>(324,115)</u>	<u>-</u>	<u>(137,830)</u>
				<u>62,752</u>
				-
				-
				<u>62,752</u>

Continued on next page.

The accompanying notes are an integral part of this statement.

CITY OF OPELOUSAS, LOUISIANA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS - (CONTINUED)
PROPRIETARY FUNDS
FOR THE YEAR ENDED AUGUST 31, 2009

	BUSINESS-TYPE ACTIVITIES-ENTERPRISE FUNDS			GOVERNMENTAL
	ELECTRIC LIGHT AND WATERWORKS	SEWER	OTHER ENTERPRISE	ACTIVITIES - INTERNAL SERVICE FUND
<u>INCOME (LOSS) BEFORE</u>				
<u>OPERATING TRANSFERS</u>	<u>\$1,389,540</u>	<u>\$(215,088)</u>	<u>\$11,131</u>	<u>\$(1,297,333)</u>
<u>OPERATING TRANSFERS IN (OUT)</u>				
Operating transfers in	1,608,887	415,000	-	305,000
Operating transfers out	(2,971,454)	(298,546)	-	-
Total operating transfers in (out)	<u>(1,362,567)</u>	<u>116,454</u>	<u>-</u>	<u>305,000</u>
Increase (decrease) in net assets	26,973	(98,634)	11,131	(992,333)
<u>NET ASSETS, beginning of year</u>	<u>8,348,327</u>	<u>5,804,328</u>	<u>242,182</u>	<u>1,143,786</u>
<u>NET ASSETS, end of year</u>	<u>8,375,300</u>	<u>5,705,694</u>	<u>253,313</u>	<u>151,453</u>

The accompanying notes are an integral part of this statement.

CITY OF OPELOUSAS, LOUISIANA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED AUGUST 31, 2009

	BUSINESS-TYPE ACTIVITIES-ENTERPRISE FUNDS				GOVERNMENTAL
	ELECTRIC LIGHT AND WATERWORKS	SEWER	OTHER ENTERPRISE	TOTAL ENTERPRISE FUNDS	ACTIVITIES - INTERNAL SERVICE FUND
<u>CASH FLOWS FROM OPERATING</u> <u>ACTIVITIES</u>					
Cash received from customers	\$3,744,448	\$1,248,549	\$ 7,181	\$5,000,178	\$1,517,583
Miscellaneous income	-	-	-	-	1,216
Loan payments received	-	-	28,687	28,687	-
General and administrative expenses	-	-	-	-	(19,000)
Cash payments to suppliers for goods and services	(1,432,010)	(981,732)	-	(2,413,742)	(2,439,556)
Claims paid	-	-	-	-	(67,751)
Legal expenses paid	-	-	(50)	(50)	-
Insurance paid	-	-	-	-	(525,600)
Cash payments to employees for services	(819,701)	(208,842)	-	(1,028,543)	-
Net cash provided (used) by operating activities	1,492,737	57,975	35,818	1,586,530	(1,533,108)
<u>CASH FLOWS FROM NON-CAPITAL</u> <u>FINANCING ACTIVITIES</u>					
Operating transfers in	1,592,969	415,000	-	2,007,969	725,000
Operating transfers out	(2,943,201)	(305,444)	-	(3,248,645)	-
Surcharge and other	378,084	-	-	378,084	-
Net cash provided (used) by non-capital financing activities	(972,148)	109,556	-	(862,592)	725,000

Continued on next page.

The accompanying notes are an integral part of this statement.

CITY OF OPELOUSAS, LOUISIANA
STATEMENT OF CASH FLOWS - (CONTINUED)
PROPRIETARY FUNDS
FOR THE YEAR ENDED AUGUST 31, 2009

	BUSINESS-TYPE ACTIVITIES-ENTERPRISE FUNDS				GOVERNMENTAL
	ELECTRIC	SEWER	OTHER	TOTAL	ACTIVITIES -
	LIGHT AND		ENTERPRISE	ENTERPRISE	INTERNAL
	WATERWORKS			FUNDS	SERVICE FUND
<u>CASH FLOWS FROM CAPITAL</u>					
<u>AND RELATED FINANCING</u>					
<u>ACTIVITIES</u>					
Purchase of fixed assets	\$ (1,184,153)	\$ (251,888)	\$ -	\$ (1,436,041)	\$ -
Principal on revenue bonds paid	(530,000)	(535,000)	-	(1,065,000)	-
Interest on revenue bonds paid	(441,211)	(328,386)	-	(769,597)	-
Proceeds from revenue bonds	-	895,983	-	895,983	-
Payment for debt issue cost	-	-	-	-	-
Net cash used by capital and	(2,155,364)	(219,291)	-	(2,374,655)	-
related financing activities					
<u>CASH FLOWS FROM INVESTING</u>					
<u>ACTIVITIES</u>					
Interest on investments	250,017	4,270	-	254,287	62,752
Net cash provided by investing					
activities	250,017	4,270	-	254,287	62,752
<u>NET INCREASE (DECREASE) IN CASH</u>	(1,384,758)	(47,490)	35,818	(1,396,430)	(745,356)
<u>CASH, September 1, 2008</u>	8,438,344	173,256	13,525	8,625,125	2,056,569
<u>CASH, August 31, 2009</u>	7,053,586	125,766	49,343	7,228,695	1,311,213

Continued on next page.
The accompanying notes are an integral part of this statement.

CITY OF OPELOUSAS, LOUISIANA
STATEMENT OF CASH FLOWS - (CONTINUED)
PROPRIETARY FUNDS
FOR THE YEAR ENDED AUGUST 31, 2009

	BUSINESS-TYPE ACTIVITIES-ENTERPRISE FUNDS				GOVERNMENTAL
	ELECTRIC	OTHER	TOTAL	ENTERPRISE	ACTIVITIES -
	LIGHT AND	ENTERPRISE	FUNDS	FUNDS	INTERNAL
	WATERWORKS	SEWER			SERVICE FUND
	<u>\$ 1,203,255</u>	<u>\$ 109,027</u>	<u>\$11,131</u>	<u>\$1,323,413</u>	<u>\$(1,360,085)</u>
Operating income (loss)					
Adjustments to reconcile operating					
income (loss) to net cash provided					
(used) by operating activities:					
Depreciation	416,967	584,167	-	1,001,134	1,314
Amortization of bond issuance cost	31,741	4,228	-	35,969	-
(Increase) decrease in accounts					
receivable	(41,738)	(481,900)	24,683	(498,955)	(289,562)
(Increase) decrease in inventory	(6,533)	(973)	-	(7,506)	-
Increase (decrease) in accounts					
payable	(129,032)	(155,036)	-	(284,068)	12,753
Increase (decrease) in claims					
payable	-	-	4	4	102,472
Increase (decrease) in customers'					
meter deposits	27,672	-	-	27,672	-
Increase (decrease) in accrued					
compensated absences	(9,595)	(1,538)	-	(11,133)	-
<u>Total adjustments</u>	<u>289,482</u>	<u>(51,052)</u>	<u>24,687</u>	<u>263,117</u>	<u>(173,023)</u>
<u>Net cash provided (used) by</u>					
<u>operating activities</u>	<u>1,492,737</u>	<u>57,975</u>	<u>35,818</u>	<u>1,586,530</u>	<u>(1,533,108)</u>

The accompanying notes are an integral part of this statement.

CITY OF OPELOUSAS, LOUISIANA
STATEMENT OF FIDUCIARY NET ASSETS
AGENCY FUND
AUGUST 31, 2009

<u>ASSETS</u>	<u>PAYROLL ACCOUNT</u>
Cash and cash equivalents	\$ 94,467
Accounts receivable	89,371
Due from other funds	<u>128,435</u>
<u>Total assets</u>	<u><u>312,273</u></u>
<u>LIABILITIES</u>	
Accounts payable and accrued expenses	\$155,723
Due to other funds	<u>156,550</u>
<u>Total liabilities</u>	<u><u>312,273</u></u>

The accompanying notes are an integral part of this statement.

NOTES TO FINANCIAL STATEMENTS

CITY OF OPELOUSAS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2009

NOTE (1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements of the City of Opelousas, Louisiana have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. In the government-wide financial statements (GWFS) and the fund financial statements for the proprietary funds, Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions on or before November 30, 1989 have been applied unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails. For Enterprise funds, GASB Statements Nos. 20 and 34 provide the City the option of electing to apply FASB pronouncements issued after November 30, 1989. The City has elected not to apply those pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed in the subsequent subsection of this note.

A. FINANCIAL REPORTING ENTITY

The City of Opelousas, Louisiana, was incorporated under the provisions of the State of Louisiana per LA R.S. 33:321-481. The City operates under the Mayor and Board of Aldermen form of government. In determining the financial reporting entity, the City complies with the provisions of GASB Statement No. 14, "The Financial Reporting Entity." Under provisions of this Statement, the municipality is considered a primary government, since it is a special purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement No. 14, fiscally independent means that the municipality may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt. The municipality has oversight of other component units that are either, blended into the municipalities basic financial statements or discretely presented in a separate column in the government-wide financial statements.

Blended Component Units

Blended component units are separate legal entities that meet the component unit criteria described above and whose governing body is the same or substantially the same as the City Council or the component unit provides services entirely to the City. These component units' funds are blended into those of the City's by appropriate activity type to compose the primary government presentation.

Discretely Presented Component Units

Discretely presented component units are separate legal entities that meet the component unit criteria described above but do not meet the criteria for blending. Currently, the City has no discretely presented component units.

CITY OF OPELOUSAS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2009

NOTE (1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

A. FINANCIAL REPORTING ENTITY - Continued

Based on the foregoing criteria, the following governmental organizations are not considered part of the City and are thus excluded from the accompanying financial statements for the reasons noted:

The Opelousas Housing Authority was chartered by the City, and its Board of Directors is appointed by the Mayor and Board of Aldermen. However, the City's oversight responsibilities in the management of operations and financial accountability are remote.

The City of Opelousas has no authority over nor is it involved with the record keeping of the Opelousas Volunteer Fire Department.

The Opelousas City Court is operated under the directorship of the Opelousas City Judge who is an elected public official. Revenues are derived from court costs and appropriations from the City's General Fund. However, the City cannot significantly influence operations nor does it have responsibility for fiscal management.

B. BASIS OF PRESENTATION

GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)

The Statement of Net Assets and the Statement of Activities display information on all of the nonfiduciary activities of the City of Opelousas, the primary government, as a whole. They include all funds of the reporting entity. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The City of Opelousas' Internal Service Fund is a governmental activity. Internal Service Fund activity is eliminated to avoid "doubling up" revenues and expenses. Fiduciary funds are not included in the GWFS. *Fiduciary funds are reported only in the Statement of Fiduciary Net Assets at the fund financial statement level.*

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

CITY OF OPELOUSAS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2009

NOTE (1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

B. BASIS OF PRESENTATION - Continued

FUND FINANCIAL STATEMENTS

Fund financial statements of the City are organized into funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. Fund financial statements report detailed information about the City of Opelousas. As a general rule, interfund eliminations are not made in the fund financial statements.

The various funds of the City are classified into three categories: governmental, proprietary, and fiduciary. The emphasis on fund financial statements is on major funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the City or meets the following criteria:

1. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least ten percent of the corresponding total for all funds of that category or type; and
2. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least five percent of the corresponding total for all governmental and enterprise funds combined.

The City reports the following major governmental funds:

The General Fund is the general operating fund of the City of Opelousas. It accounts for all financial resources except those required to be accounted for in other funds.

The Sales Tax Fund accounts for the collection and expenditure for the City's two (2) 1 percent sales taxes and the 0.2 percent sales tax.

The City reports the following major proprietary funds:

The Electric Light and Waterworks Fund accounts for electricity and water services to residents of the City of Opelousas. All activities necessary to provide such services are accounted for in this fund, including but not limited to, operations, construction, administration, maintenance, financing and related debt service, and billing and collection.

The Sewer Fund accounts for sewer services to the City of Opelousas. All activities necessary to provide such services are accounted for in this fund, including but not limited to, operations, construction, administration, maintenance, financing and related debt service, and billing and collection.

CITY OF OPELOUSAS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2009

NOTE (1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

B. BASIS OF PRESENTATION - Continued

FUND FINANCIAL STATEMENTS - Continued

Additionally, the City reports the following fund types:

Governmental Funds

Special Revenue Funds. Special Revenue funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes. These funds account for the revenues and expenditures related to federal, state and local grant and entitlement programs.

Debt Service Funds. Debt Service funds, established to meet requirements of bond ordinances, are used to account for the accumulation of resources for and the payment of general long-term debt principal, interest, and related costs.

Capital Projects Funds. Capital Projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

Proprietary Funds

Proprietary funds are used to account for ongoing organizations and activities that are similar to those often found in the private sector. The measurement focus is based upon determination of net income, financial position, and cash flows. The following are the City's proprietary fund types:

Enterprise Funds. Enterprise funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is adequate for capital maintenance, public policy, management control, accountability, or other purposes.

Internal Service Funds. Internal Service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies, or to other government, of the City on a cost reimbursement basis.

CITY OF OPELOUSAS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2009

NOTE (1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

B. BASIS OF PRESENTATION - Continued

FUND FINANCIAL STATEMENTS - Continued

Fiduciary Fund (Not included in government-wide statements).

Fiduciary funds account for assets held by the government in a trustee capacity or as an agent on behalf of other funds within the City of Opelousas. The fund accounted for in this category by the City is the Agency Fund. The Agency Fund is as follows:

Agency Fund. Agency funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other funds and/or other governments. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide Statement of Net Assets and the Statement of Activities, both governmental and business-like activities are presented using the economic resources measurement focus as defined in Item 2 below. In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate:

1. All governmental funds utilize a "current financial resources" measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.
2. The proprietary fund utilizes an "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net assets.
3. Agency funds are not involved in the measurement of results of operations; therefore, measurement focus is not applicable to them.

CITY OF OPELOUSAS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2009

NOTE (1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING - Continued

Basis of Accounting

In the government-wide Statement of Net Assets and Statement of Activities, both governmental and business-like activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds and agency funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when "measurable and available." Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year-end. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are reported when due.

All proprietary funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

Services for water and sewer are recorded as revenue when billed to customers on a monthly route reading cycle. At the end of the year, utilities services which have been rendered from the latest date of each route reading cycle to year-end which are unbilled, are accrued for financial reporting purposes.

D. DEPOSITS AND INVESTMENTS

For purposes of the Statement of Net Assets, cash and interest-bearing deposits include all demand accounts, savings accounts, and certificates of deposit of the City. For the purpose of the Proprietary Fund Statement of Cash Flows, "cash and cash equivalents" include all demand and savings accounts, and certificates of deposit or short-term investments with an original maturity of three months or less when purchased.

The City is authorized by LA RS 39:1211-1245 and 33:2955 to invest in the following:

1. United States Treasury Bonds
2. United States Treasury Notes
3. United States Treasury Bills

CITY OF OPELOUSAS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2009

NOTE (1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

D. DEPOSITS AND INVESTMENTS - Continued

4. Obligations of U.S. Government Agencies, including Federal Home Loan Bank bonds, Government National Mortgage Association bonds, or a variety of "Federal Farm Credit" bonds.
5. Fully collateralized certificates of deposit issued by qualified commercial banks and savings and loan associations located within the State of Louisiana.
6. Fully collateralized repurchase agreements.
7. Fully collateralized interest-bearing checking accounts.
8. Mutual or trust fund institutions which are registered with the Securities and Exchange Commission under the Security Act of 1933 and the Investment Act of 1940, and which have underlying investments consisting solely of and limited to securities of the United States Government or its agencies.
9. Any other investment allowed by state statute for local governments.

Investments are stated at cost except for investments in the Proprietary Funds which are reported at cost or amortized cost. The cost and/or amortized cost approximates market value.

E. RECEIVABLES AND PAYABLES

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and services type transactions are classified as "due to and from other funds." Short-term interfund loans are reported as "interfund receivables and payables." Long-term interfund loans (non-current portion) are reported as "advances from and to other funds." Interfund receivables and payables between funds within governmental activities are eliminated in the Statement of Net Assets.

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivable balances for the governmental activities include sales and use taxes, franchise taxes, grants, police fines, and ambulance fees. Business-type activities report utilities and interest earnings as their major receivables.

CITY OF OPELOUSAS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2009

NOTE (1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

E. RECEIVABLES AND PAYABLES - Continued

In the fund financial statements, material receivables in governmental funds include revenue accruals such as sales tax, franchise tax, and grants and other similar intergovernmental revenues since they are usually both measurable and available. Non-exchange transactions collectible, but not available, are deferred in the fund financial statements in accordance with modified accrual, but not deferred in the government-wide financial statements in accordance with the accrual basis. Interest and investment earnings are recorded when earned only if paid within 60 days since they would be considered both measurable and available. Proprietary fund material receivables consist of all revenues earned at year-end and not yet received. Utility accounts receivable and interest earnings compose the majority of proprietary fund receivables. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable.

Uncollectible amounts due for ad valorem taxes and other receivables are recognized as bad debts at the time information becomes available which would indicate the uncollectibility of the particular receivable. The amount of taxes receivable at year-end is not material.

Uncollectible amounts due for customers' utility receivables are recognized as bad debts through the adjustment of an allowance account.

F. INVENTORIES AND PREPAID ITEMS

Inventory is valued at cost and is recognized as an expenditure under the consumption method. Under this method, inventories are recorded as expenditures when they are used. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

G. CAPITAL ASSETS

The accounting treatment over property, plant and equipment (capital assets) depends on whether they are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

Prior to GASB No. 34, governments were not required to report general infrastructure assets. The City of Opelousas did not capitalize infrastructure expenditures. However, GASB No. 34 required the retroactive reporting of major general infrastructure assets acquired after June 30, 1980. The only major infrastructure additions the City has made since this date are street improvements. The current financial statements reflect these infrastructure assets.

CITY OF OPELOUSAS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2009

NOTE (1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

G. CAPITAL ASSETS - Continued

In the government-wide financial statements, capital assets are capitalized at historical cost, or estimated historical cost if actual is unavailable, except for donated assets, which are recorded at their estimated fair value at the date of donation. The City of Opelousas maintains a threshold level of \$1,000 or more for capitalizing capital assets.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Assets. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Buildings and improvements	20 - 60 years
Furniture and equipment	5 - 15 years
Vehicles	3 - 15 years
Water system	20 - 50 years
Sewerage system	20 - 50 years
Meters	10 - 20 years

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

In the fund financial statements, capital assets used in governmental fund operations are accounted for as facilities acquisition and construction expenditures of the governmental fund upon acquisition.

H. RESTRICTED ASSETS

Restricted assets include cash and investments that are legally restricted as to their use.

I. ACCUMULATED VACATION AND SICK LEAVE

In general, the City allows employees to accumulate a maximum of one-third (1/3) of vacation earned during a calendar year. Unused vacation in excess of one-third (1/3) shall be automatically added to the employee's sick leave account. They are also allowed to accumulate all of the sick leave they earn during a calendar year. Upon termination or retirement, an employee shall be paid all of his accumulated vacation pay. Upon regular or disability retirement, employees shall be paid, or his/her beneficiary shall be paid upon employee's death for one-fourth (1/4) day for each accumulated sick leave day at the regular hourly rate of pay and not to exceed one hundred eighty (180) days.

The employees of the Police Department have 365 days of sick leave a year. Each of these employees earn 144 hours of vacation each year. After ten years of service, field workers get an additional 12 hours each year and office personnel get an additional 8 hours each year not to exceed 240 hours.

CITY OF OPELOUSAS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2009

NOTE (1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

I. ACCUMULATED VACATION AND SICK LEAVE - Continued

The employees of the Fire Department have 365 days of sick leave a year. Each of these employees earn 216 hours of vacation leave per year. After ten years of service, these employees get an additional 24 hours each year not to exceed 240 hours. Employees who do not take any sick leave earn an additional 24 hours of vacation leave. Also, employees who do not have any injuries on the job during the year earn an additional 24 hours of vacation leave. Therefore, the maximum vacation an employee can earn is 360 hours. A maximum of (1/3) of unused vacation shall be accumulated per year.

The entire compensated absence liability is reported on the government-wide financial statements. For governmental fund financial statements, the current portion of unpaid compensated absences is the amount that is normally expected to be paid using expendable available financial resources. These amounts are recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated leave are paid. The noncurrent portion of the liability is not reported.

J. LONG-TERM OBLIGATIONS

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type Statement of Net Assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources net of the applicable premium or discount and payment of principal and interest reported as expenditures. For fund financial reporting, issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

K. EQUITY CLASSIFICATIONS

In the government-wide statements, equity is classified as net assets and displayed in three components:

1. Invested in capital assets, net of related debt - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowing that are attributable to the acquisition, construction, or improvement of those assets.
2. Restricted net assets - Consists of net assets with constraints placed on the use either by (1) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

CITY OF OPELOUSAS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2009

NOTE (1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

K. EQUITY CLASSIFICATIONS – Continued

3. Unrestricted net assets - All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

In the fund financial statements, governmental fund equity is classified as fund balance. Fund balance is further classified as reserved and unreserved, with unreserved further split between designated and undesignated. Proprietary fund equity is classified the same as in the government-wide statements.

L. COMPARATIVE DATA

Comparative total data for the prior year has been presented in the accompanying financial statements in order to provide an understanding of changes in the government’s financial position and operations. However, comparative data has not been presented in all statements because their inclusion would make certain statements unduly complex and difficult to understand.

M. EXTRAORDINARY AND SPECIAL ITEMS

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events within the control of the municipality, which are either unusual in nature or infrequent in occurrence.

N. ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

NOTE (2) STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budget Information - The City of Opelousas uses the following budget practices:

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to August 15, the Mayor submits to the Council a proposed operating budget for the year commencing the following September 1. The operating budget includes proposed expenditures and the means of financing them.

CITY OF OPELOUSAS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2009

NOTE (2) STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY - CONTINUED

2. Public hearings are conducted to obtain taxpayer comments.
3. All actions necessary to adopt and otherwise finalize and implement the budget for an ensuing year are taken prior to the end of the year in progress. The budget is legally enacted through passage of an ordinance.
4. An amendment involving the transfer of monies from one department to another or from one program or function to another or any other increases in expenditures exceeding amounts estimated must be approved by the Mayor.
5. All budgeted amounts which are not expended, or obligated through contracts, lapse at year-end.
6. Budgets for all governmental fund types are adopted on a basis consistent with generally accepted accounting principles (GAAP).

Excess of Expenditures over Appropriations - The following individual funds had actual expenditures over budgeted appropriations for the fiscal year ended August 31, 2009:

<u>Fund</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>
Emergency Shelter Grant Fund	\$23,347	\$26,519	\$(3,172)
Police Seized Fund	89,441	93,518	(4,077)
General Fund	15,696,730	15,780,398	(83,668)
Sales Tax Fund	360,078	367,404	(7,326)

Deficits - The following individual funds had deficits in unrestricted net assets and/or fund balances at August 31, 2009:

	<u>Deficit Amount</u>
Health Self Insurance Fund	\$818,493
Internal Service Fund G	7,896

NOTE (3) DEPOSITS AND INVESTMENTS

State law requires deposits of all political subdivisions be fully collateralized at all times. Acceptable collateralization includes FDIC insurance and the market value of securities purchased and pledged to the political subdivision. Obligations of the United States, the State of Louisiana, and certain political subdivisions are allowed as security for deposits. Obligations furnished as security must be held by the political subdivision, or with an unaffiliated bank, or with a trust company for the account of the political subdivision.

CITY OF OPELOUSAS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2009

NOTE (3) DEPOSITS AND INVESTMENTS - CONTINUED

The City of Opelousas invests in the Louisiana Asset Management Pool (LAMP), a local government investment pool. In accordance with GASB Codification Section I50.126, the investment in LAMP is not categorized in the three risk categories provided by GASB Codification Section I50.125 because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form.

LAMP is administered by LAMP, Inc., a nonprofit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LSA - R.S. 33:2955. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. Government, or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities.

Effective August 1, 2002, LAMP's investment guidelines were amended to permit the investment in government-only money market funds. In its 2002 Regular Session, the Louisiana Legislature (Senate Bill No. 512, Act 701) enacted LSA-R.S. 33:2955(A)(1)(h) which allows all municipalities, parishes, school boards, and any other political subdivisions of the state to invest in "Investment grade (A-1/P-1) commercial paper of domestic United States corporations." Effective October 1, 2002, LAMP's Investment Guidelines were amended to allow the limited investment in A-1 or A-1+ commercial paper.

The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. The investments in LAMP are stated at fair value based on quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the value of the pool shares.

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

At August 31, 2009, the City of Opelousas has no investments in LAMP.

CITY OF OPELOUSAS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2009

NOTE (3) DEPOSITS AND INVESTMENTS - CONTINUED

At August 31, 2009, the carrying amount of the City of Opelousas' deposits was \$15,900,847, and the bank balances were \$16,450,248. The bank balances were collateralized as follows:

<u>Institution</u>	<u>Bank Balance</u>	<u>Amount Insured by FDIC</u>	<u>Amount Collateralized by Securities held at 3rd Party Bank</u>
Interest-bearing			
Hancock Bank	\$16,450,188	\$250,000	\$17,976,480
Hancock Bank non-interest bearing	5	5	-
St. Landry Homestead	<u>55</u>	<u>55</u>	<u>-</u>
	<u>16,450,248</u>	<u>250,060</u>	<u>17,976,480</u>

NOTE (4) RECEIVABLES

The receivables of \$3,490,904 at August 31, 2009 consist of the following:

Governmental Activities

Sales Tax Fund	
Sales tax receivable	\$17,800
Emergency Shelter Grant Fund	
Grant receivable	3,167
Debt Service Fund	
Special Assessments	350,417
Accrued interest	594,318
Internal Service Funds	
Insurance receivable	<u>290,010</u>
<u>Total</u>	<u>1,255,712</u>

Business-type Activities

Electric Light and Waterworks	
Customers' accounts receivable	689,328
CLECO operating fee	41,755
CLECO surcharge	142,500
Sewer Fund	
Customers' accounts receivable	1,157,635
Rural Economic and Community Development Grant Fund	
Customers' loans receivable	<u>203,974</u>
<u>Total</u>	<u>2,235,192</u>
<u>Total receivables</u>	<u>3,490,904</u>

CITY OF OPELOUSAS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2009

NOTE (5) ASSESSMENTS RECEIVABLE

The City had \$350,417 in outstanding assessments receivable as of August 31, 2009 and \$594,318 of interest receivable on these assessments. An ordinance was adopted by the Board of Aldermen on November 10, 2009, whereby excess interest on assessments will be discharged where an amount at least equal to the original assessment has been paid by the property owner before May 10, 2010. The full amount of interest receivable is reported on the statements at August 31, 2009.

NOTE (6) PROPERTY TAXES

Property taxes are levied each November 1 on the assessed value listed as of the prior January 1 for all real property, merchandise and movable property located in the parish. Assessed values are established by the St. Landry Parish Assessor's Office and the State Tax Commission at percentages of actual value as specified by Louisiana law. Taxes are due and payable December 31 with interest being charged on payments after January 1. Taxes can be paid through the tax sale date, which is the last Wednesday in June. Properties for which the taxes have not been paid are sold for the amount of the taxes. For the calendar year ended December 31, 2008, the City levied taxes at 7.03 mills per dollar of assessed valuation on property within the City for the purpose of providing governmental services other than the payment of principal and interest on long-term debt. The amount of uncollected taxes at year-end are not material and have not been booked.

NOTE (7) INTERFUND RECEIVABLES AND PAYABLES

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and services type transactions are classified as "due to and from other funds" in the fund financial statements. In the government-wide financial statements, interfund receivables and payables are eliminated within the governmental activities and within the business-type activities. All of these accounts are expected to be repaid within one year from the date of the financial statements. Interfund receivables and payables in the fund financial statements are as follows:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$528,527	\$449,087
Special Revenue Funds:		
Sales tax	500,000	-
LCDB	-	5
Emergency Shelter Grant	-	31
Enterprise Funds:		
Electric Light and Waterworks	99,338	416,719
Sewer Fund	279,125	18,033
Internal Service Funds:		
Internal Service A	-	555
Internal Service G	555	
Health Self Insurance	-	495,000
Agency Fund:		
Payroll	<u>128,435</u>	<u>156,550</u>
	<u>1,535,980</u>	<u>1,535,980</u>

CITY OF OPELOUSAS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2009

NOTE (8) GOVERNMENTAL FUND TYPES, SPECIAL REVENUE, DEDICATION OF PROCEEDS AND FLOW OF FUNDS, 2.2 PERCENT SALES AND USE TAX

The City of Opelousas has a total sales tax of 2.2 percent which was authorized in three separate elections.

The first 1 percent sales tax was levied by authority of a special election held on November 26, 1966, and is dedicated to the following purposes:

1. Constructing and improving drainage works; purchasing, constructing and improving public parks and recreational facilities, and acquiring necessary equipment and furnishings therefore; acquiring, constructing, improving, and operating a public library and acquiring the necessary land, equipment, and furnishings therefore; acquiring and constructing waterworks improvements and extensions; opening, constructing, paving, and improving streets and bridges; constructing and purchasing street lighting facilities and acquiring and establishing an industrial park, title to all of which shall be public.
2. Defraying the cost of maintaining sewerage facilities.
3. Providing additional funds not to exceed forty thousand dollars (\$40,000.00) annually for the payment of salaries for municipal employees.

Any monies remaining in the Sales Tax Fund shall be considered as surplus. Such surplus may be used by the City for any of the purposes for which the composition of the tax is authorized.

The second 1 percent sales tax was initially levied by authority of a special election held on April 5, 1975, and was extended through May 31, 2010, by referendum held on April 29, 1995. This sales tax levy is dedicated to the following purpose:

To constructing, acquiring, improving and/or maintaining of garbage, waste disposal facilities, and waterworks facilities; to constructing, acquiring, improving and/or maintaining police department stations and facilities, and fire department stations and facilities; to constructing, acquiring improving, extending and/or maintaining sewers and sewerage disposal works, streets, sidewalks, and bridges; and purchasing and acquiring the necessary land, equipment, and furnishing for any of the aforesaid public works, improvements and facilities, including salaries of employees.

A 0.2 percent sales tax was levied by authority of a special election held on October 3, 1993, and is dedicated for constructing, acquiring, and improving fire, police and street facilities.

CITY OF OPELOUSAS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2009

NOTE (9) RESTRICTED ASSETS

The various bond indentures contain significant limitations and restrictions on annual debt service requirements, maintenance of and flow of monies through various restricted accounts, minimum amounts to be maintained in various sinking funds, and minimum revenue bond coverages. The City is in material compliance with all such significant limitations and restrictions. A summary of restricted assets by fund as of August 31, 2009 is as follows:

	<u>General Fund</u>	<u>Electric Light and Waterworks Fund</u>	<u>Sewer Fund</u>
Construction	\$ -	\$2,946,939	\$1,323
Bond sinking accounts		704,347	-
Bond reserve accounts	85,473	2,159,056	-
Customers' deposits	-	1,222,918	-
Ad valorem taxes paid in protest	<u>2,859</u>	<u>-</u>	<u>-</u>
	<u>88,332</u>	<u>7,033,260</u>	<u>1,323</u>

NOTE (10) CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended August 31, 2009, for the City of Opelousas are as follows:

	<u>Balances September 1, 2008</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balances August 31, 2009</u>
Governmental activities:				
Land	\$1,835,029	\$ -	\$ -	\$1,835,029
Buildings	7,569,281	569,832	-	8,139,113
Improvements other than buildings	7,254,164	6,323,650	(125,800)	13,452,014
Machinery and equipment	7,098,321	662,118	(1,673,509)	6,086,930
Construction in progress	<u>6,398,847</u>	<u>307,484</u>	<u>(6,372,421)</u>	<u>333,910</u>
<u>Totals at historical cost</u>	<u>30,155,642</u>	<u>7,863,084</u>	<u>(8,171,730)</u>	<u>29,846,996</u>
Less accumulated depreciation				
Buildings	(2,682,081)	(144,952)	-	(2,827,033)
Improvements other than buildings	(5,085,402)	(345,640)	99,060	(5,331,982)
Machinery and equipment	<u>(4,135,573)</u>	<u>(414,075)</u>	<u>1,387,947</u>	<u>(3,161,701)</u>
<u>Total accumulated depreciation</u>	<u>(11,903,056)</u>	<u>(904,667)</u>	<u>1,487,007</u>	<u>(11,320,716)</u>
Governmental activities capital assets, net	<u>18,252,586</u>	<u>6,958,417</u>	<u>(6,684,723)</u>	<u>18,526,280</u>

CITY OF OPELOUSAS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2009

NOTE (10) CAPITAL ASSETS - CONTINUED

	<u>Balances</u> <u>September</u> <u>1, 2008</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balances</u> <u>August</u> <u>31, 2009</u>
Business-types activities:				
Land	\$77,698	\$ -	\$ -	\$77,698
Buildings	64,451	-	-	64,451
Improvements other than buildings	1,253,460	-	-	1,253,460
Machinery and equipment	1,312,380	\$5,639	-	1,318,019
Utility system	43,771,110	4,896,666	-	48,667,776
Construction in progress	<u>6,158,990</u>	<u>2,377,360</u>	<u>\$(5,137,128)</u>	<u>3,399,222</u>
<u>Totals at historical cost</u>	<u>52,638,089</u>	<u>7,279,665</u>	<u>(5,137,128)</u>	<u>54,780,626</u>
Less accumulated depreciation				
Buildings	(43,065)	(1,901)	-	(44,966)
Improvements other than buildings	(1,253,460)	-	-	(1,253,460)
Machinery and equipment	(1,298,451)	(4,989)	-	(1,303,440)
Utility system	<u>(26,235,020)</u>	<u>(994,244)</u>	<u>-</u>	<u>(27,229,264)</u>
<u>Total accumulated depreciation</u>	<u>(28,829,996)</u>	<u>(1,001,134)</u>	<u>-</u>	<u>(29,831,130)</u>
Business-type capital assets, net	<u>23,808,093</u>	<u>6,278,531</u>	<u>(5,137,128)</u>	<u>24,949,496</u>

Depreciation expense was charged to governmental activities as follows:

General government	
Executive	\$80,222
Judicial	
City Court	20,791
Administration	
Purchasing	6,385
Civil Service	<u>115</u>
<u>Total general government</u>	<u>107,513</u>
Public safety	
Police	216,397
Fire	<u>80,615</u>
<u>Total public safety</u>	<u>297,012</u>
Public works	
Streets	343,415
Municipal garage	<u>2,935</u>
<u>Total public works</u>	<u>346,350</u>

CITY OF OPELOUSAS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2009

NOTE (10) CAPITAL ASSETS - CONTINUED

Health and welfare	
Code enforcement	\$27,110
Summer workers	<u>1,200</u>
<u>Total health and welfare</u>	<u>28,310</u>
Culture and recreation	
Parks and recreation	98,392
Tourism	8,672
Main Street Program	521
Museum	14,673
Library	<u>1,707</u>
<u>Total culture and recreation</u>	<u>123,965</u>
Economic development	<u>204</u>
<u>Total economic development</u>	<u>204</u>
 <u>Total depreciation, expense - General Fund</u>	 903,354
Internal Service G	<u>1,313</u>
 <u>Total</u>	 <u>904,667</u>

NOTE (11) FRANCHISE AGREEMENT WITH CLECO

On May 14, 1991, the City of Opelousas entered into a Franchise Agreement with Central Louisiana Electric Company, Inc. (CLECO) for operating and distributing electricity within the corporate limits of the City of Opelousas.

The primary term of this Agreement shall be for a period of ten (10) years from August 11, 1991 to August 11, 2002, with the option granted to CLECO to renew such Agreement for three (3) additional ten-year periods. The City of Opelousas renewed this Agreement for a period of ten (10) years from August 11, 2001 to August 11, 2011.

The City shall continue to own its electric distribution system within the City, but enters into an operating Agreement with CLECO whereby CLECO is granted the full right to use and operate same and to repair and replace lines, poles and other equipment as and when deemed necessary for the purpose of efficiently maintaining the system. The electric distribution system does not include the City's power plant and CLECO has no rights or obligations relative to the power plant. All improvements made by CLECO are to be purchased by the City at the end of the lease at cost less depreciation.

CITY OF OPELOUSAS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2009

NOTE (11) FRANCHISE AGREEMENT WITH CLECO - CONTINUED

Under the terms of the Agreement, that for and in consideration of the City granting to CLECO the franchise and the right to use the City's electric distribution system, CLECO binds and obligates itself to pay the following:

1. The sum of \$160,000 upon execution of the Agreement.
2. The amount payable by the City to Southwest Louisiana Electric Membership Cooperative (SLEMCO), not to exceed \$4,500,000. The City agreed to pay said amount to SLEMCO immediately and to transfer title for all improvements, additions and replacements furnished by SLEMCO to CLECO.
3. A monthly payment of \$142,500 for 120 months beginning August 11, 2001 for operations.
4. A franchise fee of equal to four percent (4%) of the amounts receivable by CLECO from the sale and delivery of electric energy at retail for residential and commercial purposes, commencing August 11, 2001. This amount shall be paid monthly and the annual amount shall be no less than \$350,000.

CLECO shall also bill and collect for and on behalf of the City a consumer service charge, the amount of which will be added to each consumer's bill on a cost per kilowatt-hour basis. The amount of this surcharge shall be determined by the Mayor and Board of Aldermen of the City.

NOTE (12) FRANCHISE AGREEMENT WITH SLEMCO

On March 1, 2006, the City of Opelousas entered into a franchise agreement with Southwest Louisiana Electric Membership Corporation (SLEMCO) for operating and distributing electricity within the corporate limits of the City of Opelousas, with the exception of the "Excluded Area." The excluded area is defined as all areas that were within the Opelousas city limits as those city limits existed in August 1991 when the City leased its City-owned electrical system to Central Louisiana Electric Company (CLECO).

The primary term of the Agreement shall be for a period of six (6) years and six (6) months commencing on March 1, 2006 and ending on August 11, 2011.

The City entered into an operating Agreement with SLEMCO whereby SLEMCO is granted the right and privilege of constructing, erecting, maintaining, and operating SLEMCO's electric transmission and distribution lines and systems, for the purpose of selling, servicing, handling, and distributing electricity and electric energy within the corporate limits of the City as they existed on March 1, 2006 and as thereafter extended on SLEMCO lines, including poles, lines, wires, insulators, transformers, services, arms, braces, guys, and all other necessary or usual attachments and appurtenances, along, across, over, under and on the streets, lanes, highways, public roads, and other public places in the City, with the exception of the "Excluded Area."

CITY OF OPELOUSAS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2009

NOTE (12) FRANCHISE AGREEMENT WITH SLEMCO -CONTINUED

Under the terms of the Agreement, that for and in consideration of the City granting to SLEMCO the franchise and the right to operate SLEMCO's electric transmission and distribution line and systems, SLEMCO binds and obligates itself to pay the following:

1. The sum of \$373,708 upon execution of the Agreement.
2. A monthly franchise fee of equal to four (4%) percent of gross revenue collected by SLEMCO from its retail sale and delivery of electric energy in the City.

NOTE (13) ACCOUNTS PAYABLE AND ACCRUED EXPENSES

The payables of \$1,396,419 at August 31, 2009 are as follows:

Governmental Activities

General Fund

Accounts payable	\$934,426
Accrued wages payable	208,459
Permit deposits payable	20,268
Accrued retirement payable	51,723
Football deposits	1,175
Due to payroll account	<u>(52,159)</u>
<u>Total General Fund</u>	<u>1,163,892</u>

Sales Tax Fund

Accounts payable	<u>17,622</u>
------------------	---------------

Emergency Shelter Grant

Accounts payable	<u>3,172</u>
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Internal Service Fund

Accounts payable	<u>12,753</u>
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<u>Total governmental activities</u>	<u>1,197,439</u>
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CITY OF OPELOUSAS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2009

NOTE (13) ACCOUNTS PAYABLE AND ACCRUED EXPENSES - CONTINUED

Business-type Activities

Electric Light and Waterworks

Accounts payable	\$66,414
Accrued wages payable	16,400
Accrued retirement payable	2,214
Due to payroll account	<u>15,138</u>
<u>Total Electric Light and Waterworks</u>	<u>100,166</u>

Sewer Fund

Accounts payable	24,740
Accrued wages payable	4,323
Accrued retirement payable	584
Due to payroll account	<u>8,964</u>
<u>Total Sewer Fund</u>	<u>38,611</u>

OREC Fund

Accounts payable	<u>4</u>
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<u>Total business-type activities</u>	<u>138,781</u>
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<u>Total accounts payable and accrued expenses</u>	<u>1,336,220</u>
----------------------------------------------------	------------------

NOTE (14) LONG-TERM OBLIGATIONS

The following is a summary of the long-term obligation transactions for the year ended August 31, 2009:

	<u>Balances</u> <u>9/01/08</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balances</u> <u>8/31/09</u>	<u>Due Within</u> <u>One Year</u>
<u>Governmental Activities</u>					
Bonds payable					
Public Improvement					
Bonds, Series 2005	\$5,270,000	\$ -	\$(330,000)	\$4,940,000	\$350,000
Certificate of Indebtedness,					
Series 2006	<u>38,000</u>	<u>-</u>	<u>(38,000)</u>	<u>-</u>	<u>-</u>
<u>Total bonds payable</u>	5,308,000		(368,000)	4,940,000	350,000
Capital leases	523,380	-	(166,881)	356,499	160,739
Municipal Police Employees'					
Retirement System payable	739,450	-	(101,968)	637,482	109,296
Compensated absences					
payable	<u>785,849</u>	<u>81,926</u>	<u>-</u>	<u>867,775</u>	<u>70,291</u>
<u>Total governmental</u>					
<u>activities</u>	7,356,679	81,926	(636,849)	6,801,756	690,326

CITY OF OPELOUSAS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2009

NOTE (14) LONG-TERM OBLIGATIONS - CONTINUED

<u>Business-type Activities</u>	<u>Balances</u> <u>9/01/08</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balances</u> <u>8/31/09</u>	<u>Due Within</u> <u>One Year</u>
Accrued compensated absences					
Electric Light and Waterworks	\$46,460	\$ -	\$(9,595)	\$36,865	\$ -
Sewer Fund	11,500	-	(1,539)	9,961	-
Utility Revenue Bonds					
Refunding Bonds,					
Series 1998 - Sewer	565,000	-	(50,000)	515,000	50,000
Series 1999 - Sewer	2,420,908	-	(190,000)	2,230,908	200,000
Series 2000 - Sewer	4,436,498	-	(245,000)	4,191,498	255,000
Series 2003 - Sewer	974,215	895,983	(50,000)	1,820,198	99,000
Series 2004 - Water	1,710,000	-	(215,000)	1,495,000	225,000
Series 2006 - Water	7,385,000	-	(315,000)	7,070,000	280,000
Series 2007 - Water	<u>1,500,000</u>	<u>-</u>	<u>-</u>	<u>1,500,000</u>	<u>-</u>
<u>Total business-type activities</u>	<u>19,049,581</u>	<u>895,983</u>	<u>(1,076,134)</u>	<u>18,869,430</u>	<u>1,109,000</u>
<u>Total long-term obligations</u>	<u>26,406,260</u>	<u>977,909</u>	<u>(1,712,983)</u>	<u>25,671,186</u>	<u>1,799,326</u>

General Obligation Bonds. The City of Opelousas issues general obligation bonds to provide funds for the acquisition and construction of major capital projects and to refund general obligation bonds. General obligation bonds are direct obligations and pledge the full faith and credit of the government. General obligation bonds outstanding at August 31, 2009 are as follows:

	<u>Amount</u>
Public Improvement Bond - Series 2005	4.45% \$4,940,000
Certificate of Indebtedness - Series 2006	5.25% -

Refunding Bonds in the original amount of \$1,580,000 were issued on September 1, 1998 for the purpose of refunding the outstanding Certificates of Indebtedness issues, Series 1993, Series 1994, and Series 1995 in the total principal amount at that date of \$2,220,000. The City paid \$699,099 out of existing sinking fund, reserve fund and excess cash funds in order to redeem principal and interest on the refunded bonds. This advance refunding was undertaken to obtain an economic gain of \$94,446.

CITY OF OPELOUSAS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2009

NOTE (14) LONG-TERM OBLIGATIONS - CONTINUED

A public improvement bond in the original amount of \$5,810,000 was issued on December 19, 2005 for the purpose of city wide street improvements. The bond has a stated interest rate of 4.45%.

A certificate of indebtedness in the original amount of \$110,000 was issued on July 25, 2006 for the purpose of purchasing a new fire truck. The bond has a stated interest rate of 5.25%. This bond was paid out in the current fiscal year.

Capital Leases

The City entered into a master lease purchase agreement with United Bank & Trust Co. for seven 2006 police cars on November 17, 2005. The first monthly payment was due on December 17, 2005 with the final payment due on November 17, 2008. This agreement requires monthly payments of \$4,161.72 for thirty-six months.

The City entered into a lease purchase agreement with St. Landry Bank and Trust for twenty-two 2009 police cars on October 30, 2007. The first monthly payment was due on December 1, 2007 with the final payment due on November 1, 2011. This agreement requires monthly payments of \$14,332 for forty-eight months.

Municipal Police Employees' Retirement System. The Municipal Police Employees' Retirement System (MPERS) liability was incurred on July 1, 1986. This liability resulted from the merger of the City of Opelousas pension obligations for retired members and beneficiaries into the MPERS of the State of Louisiana. The MPERS liability will be paid in quarterly installments of \$37,773 including interest of 7 percent over a twenty-seven year period which commenced July 1, 1986. This debt will be retired from future revenues of the City.

Compensated Absences. Compensated absences payable consists of the portion of accumulated sick leave of the governmental funds that are not expected to require current resources. The additions and deductions for 2009 represent the net change during the year.

Revenue Bonds

The City of Opelousas also issues bonds where the City pledges income derived from the acquired or constructed assets to pay debt service. Revenue bonds outstanding at August 31, 2009 are as follows:

		<u>Amount</u>
Utility Revenue Bonds, Series 1998 (sewer)	2.45%	\$515,000
Utility Revenue Bonds, Series 1999 (sewer)	3.45%	2,230,908
Utility Revenue Bonds, Series 2000 (sewer)	3.45%	4,191,498
Utility Revenue Bonds, Series 2003 (sewer – in progress)	3.45%	1,820,198
Utility Revenue Bonds, Series 2004 (Electric Light & Waterworks)	3.65%	1,495,000
Utility Revenue Bonds, Series 2006 (Electric Light & Waterworks)	4.0 – 5.0%	7,070,000
Utility Revenue Bonds, Series 2007 (Electric Light & Waterworks)		<u>1,500,000</u>
		<u>18,822,604</u>

CITY OF OPELOUSAS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2009

NOTE (14) LONG-TERM OBLIGATIONS - CONTINUED

Debt Service Requirements

The annual debt service requirements including interest to amortize all long-term obligations outstanding at August 31, 2009 are as follows:

Governmental Activities

Year Ending August 31,	Public Improvement Bonds	Capital Leases	Municipal Police Employees' Retirement	Compensated Absences
2010	\$569,830	\$171,988	\$151,092	\$ -
2011	569,255	171,988	151,092	-
2012	573,012	28,665	151,092	-
2013	570,880	-	151,092	-
2014	573,080	-	151,092	-
2015-2019	2,919,135	-	6,730	-
2020-2024	<u>590,143</u>	<u>-</u>	<u>-</u>	<u>-</u>
	6,365,335	372,641	762,190	-
Less interest	<u>(1,425,335)</u>	<u>(16,142)</u>	<u>(124,708)</u>	<u>-</u>
Net	<u>4,940,000</u>	<u>356,499</u>	<u>637,482</u>	<u>867,775</u>

Business-type Activities

Year Ending August 31,	Compensated Absences	Utility Revenue Bonds						
		Series 1998	Series 1999	Series 2000	Series 2003	Series 2004	Series 2006	Series 2007
2010	\$ -	\$65,193	\$294,010	\$426,628	\$176,854	\$279,568	\$575,965	\$67,950
2011	-	63,718	291,110	431,555	176,944	276,355	579,065	67,950
2012	-	67,242	293,012	420,890	176,876	282,960	581,528	67,950
2013	-	65,620	294,520	415,225	176,649	284,018	588,353	67,950
2014	-	63,998	295,633	414,363	176,265	284,710	594,328	67,950
2015-2019	-	268,732	1,308,908	2,086,630	884,235	285,037	3,109,213	1,223,595
2020-2024	-	-	-	1,303,460	730,788	-	3,243,139	593,052
2025-2029	-	-	-	-	-	-	<u>662,779</u>	<u>-</u>
<u>Total</u>	-	594,503	2,777,193	5,498,751	2,498,611	1,692,648	9,934,370	2,156,397
Less: interest	-	(66,028)	(477,135)	(1,141,778)	(592,538)	(197,648)	(2,864,370)	(656,397)
DEQ administrative fee	-	<u>(13,475)</u>	<u>(69,150)</u>	<u>(165,475)</u>	<u>(85,875)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net	<u>46,826</u>	<u>515,000</u>	<u>2,230,908</u>	<u>4,191,498</u>	<u>1,820,198</u>	<u>1,495,000</u>	<u>7,070,000</u>	<u>1,500,000</u>

CITY OF OPELOUSAS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2009

NOTE (14) LONG-TERM OBLIGATIONS - CONTINUED

Compensated absences payable is not amortizable because the timing of the payouts are based on factors outside the City's control.

The following is a recap of principal, interest, and other charges shown as debt service expenditures in the General Fund:

	<u>General Fund</u>
Principal	\$534,881
Interest and related costs	254,137
Commissions	<u>300</u>
	<u>789,318</u>

As of August 31, 2009, the General Fund has \$3,263 available to service general long-term debt.

On February 3, 2009, the City of Opelousas entered into an operative lease for the Orphan Train Museum for a total cost of \$100 which was paid in full on March 3, 2009. The lease was for a term of 100 years beginning February 3, 2009 with the option to renew for an additional 100 years.

NOTE (15) PENSION PLANS

The City has several pension plans covering substantially all of its employees, as follows:

- Municipal Employees' Retirement System of Louisiana
- State of Louisiana - Municipal Police Employees' Retirement System
- State of Louisiana - Firefighters' Retirement System
- Louisiana State Employees' Retirement System

Substantially all employees are covered under the Municipal Employees' Retirement System of Louisiana except for firemen and policemen which are covered under the Firefighters' Retirement System and Municipal Police Employees' Retirement System, respectively. The City Court Judge is covered under the Louisiana State Employees' Retirement System. Details concerning these plans follow:

1. Municipal Employees' Retirement System of Louisiana

Plan Description

The Municipal Employees' Retirement System of Louisiana (the System) is a cost-sharing multiple-employer public employee retirement system (PERS) as established and provided for by R.S. 11:1731 of the Louisiana Revised Statutes (LRS). The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. Employees of the City are members of Plan A.

CITY OF OPELOUSAS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2009

NOTE (15) PENSION PLANS - CONTINUED

1. Municipal Employees' Retirement System of Louisiana - Continued

Plan Description - Continued

Membership is mandatory as a condition of employment beginning on the date employed if the employee is on a permanent basis working at least thirty-five hours per week, not participating in another public funded retirement system and under age sixty (60) at date of employment. Those individuals paid jointly by a participating employer and the parish are not eligible for membership in the System. Under Plan A, employees who retire at or after age 60 with at least 10 years of credited service, at or after age 55 with 25 years of credited service, or at any age with 30 or more years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3 percent of their final compensation multiplied by the employee's years of credited service. Final compensation is the employee's monthly earnings during the 36 consecutive or joined months that produce the highest average. The System also provides death and disability benefits. Benefits are established by state statute.

The Municipal Employees' Retirement System of Louisiana issues a publicly available financial report that includes financial statements and required supplemental information. That report may be obtained by writing to Municipal Employees' Retirement System of Louisiana, 7937 Office Park Boulevard, Baton Rouge, LA 70809.

Funding Policy

Plan members are required to contribute 9.25 percent of their annual covered salary and the City is required to contribute at an actuarially determined rate. The current rate is 13.50 percent of annual covered payroll. The contribution requirements of plan members and the City are established and may be amended by the System's Board of Trustees. The City's contributions to the System for the years ended August 31, 2009, 2008 and 2007 were \$470,263, \$449,627 and \$499,429, respectively, equal to the required contributions for each year.

2. State of Louisiana - Municipal Police Employees' Retirement System

Plan Description

The Municipal Police Employees' Retirement System (the System) is a cost-sharing multiple-employer public employee retirement system (PERS).

CITY OF OPELOUSAS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2009

NOTE (15) PENSION PLANS - CONTINUED

2. State of Louisiana - Municipal Police Employees' Retirement System - Continued

Plan Description – Continued

Membership is mandatory for any full-time police officer employed by a municipality of the State of Louisiana and engaged in law enforcement, empowered to make arrest, providing they do not have to pay social security and providing they meet the statutory criteria. Employees who retire at or after age 50 with at least 20 years of credited service, or at or after age 55 with at least 12 years of credited service are entitled to a retirement benefit payable monthly for life, equal to 3 1/3 percent of their average final compensation multiplied by the employee's years of credited service. Final compensation is the employee's monthly earnings during the 36 consecutive or joined months that produce the highest average. The System also provides death and disability benefits. Benefits are established by state statute.

The Municipal Police Employees' Retirement System issues a publicly available report that includes financial statements and required supplemental information. That report may be obtained by writing to Municipal Police Employees' Retirement System, 8401 United Plaza Blvd., Suite 270, Baton Rouge, LA 70809-7017.

Funding Policy

Plan members are required to contribute 7.5 percent of their annual covered salary. The City was required to contribute 9.5 percent of annual covered payroll until June 30, 2009. As of July 1, 2009, the current rate was changed to 11.0 percent as established by state statute. The City's contributions to the System for the years ended August 31, 2009, 2008 and 2007 were \$277,528, \$359,048 and \$398,091, respectively, equal to the required contributions for each year.

3. State of Louisiana - Firefighters' Retirement System

Plan Description

The Firefighters' Retirement System (the System) is a cost-sharing multiple-employer public employee retirement system (PERS), as established and provided for by R.S. 11:2251 through 2269 of the Louisiana Revised Statutes (LRS).

Membership is mandatory as a condition of employment beginning on date employed if the employee is on a permanent basis as a firefighter, not participating in another publicly funded retirement system and under age fifty (50) at date of employment. Employees who retire at or after age 50 with at least 20 years of credited service, or at or after age 55 with at least 12 years of credited service are entitled to a retirement benefit payable monthly for life, equal to 3 1/3 percent of their average final compensation multiplied by the employee's years of credited service. Final compensation is the employee's monthly earnings during the 36 consecutive or joined months that produce the highest average. The System also provides death and disability benefits. Benefits are established by state statute.

CITY OF OPELOUSAS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2009

NOTE (15) PENSION PLANS - CONTINUED

3. State of Louisiana - Firefighters' Retirement System - Continued

Plan Description - Continued

The Firefighters' Retirement System issues a publicly available financial report that includes financial statements and required supplemental information. That report may be obtained by writing to Firefighters' Retirement System, P. O. Box 94095 Capitol Station, Baton Rouge, LA 70804-9095.

Funding Policy

Plan members are required to contribute 8 percent of their annual covered salary and the City is required to contribute at an actuarially determined rate. This rate was 12.5 percent of annual covered payroll until June 30, 2009. As of July 1, 2009, the current rate was changed to 14.0 percent of annual covered payroll. The contribution requirements of Plan members are established and may be amended by the System's Board of Trustees. The City's contributions to the System for the years ended August 31, 2009, 2008 and 2007 were \$269,250, \$270,687 and \$288,412, respectively, equal to the required contributions for each year.

4. Louisiana State Employees' Retirement System

Plan Description

The Louisiana State Employees' Retirement System (LASERS) is a qualified defined benefit pension and retirement plan as established and provided for by R.S. 11:558 of the Louisiana Revised Statutes (LRS).

Membership is mandatory as a condition of employment. Employees who retire with 30 years of credited service at any age, or at or after age 55 with at least 25 years of credited service, or at or after age 60 with at least 10 years of credited service, or with 20 years of credited service at any age with actuarially reduced benefit are entitled to a retirement benefit payable monthly for life, equal to 2.5 percent of their final average compensation for every year of creditable service. An additional \$300 is applied if they joined LASERS before July 1, 1986. Benefits may not exceed 100 percent of four final average compensation. Most employees reach 100 percent of final average compensation at 40 years of membership service credit. Final average compensation is the average annual earned compensation received during the 36 highest months of successive employment, or the highest joined months of employment if service was interrupted. Averages for part-time service are based on pay that would have been received if employment had been full-time. The System also provides death and disability benefits.

The Louisiana State Employees' Retirement System issues a publicly available financial report that includes financial statements and required supplemental information. That report may be obtained by writing to LASERS, P.O. Box 44213, Baton Rouge, LA 70804.

CITY OF OPELOUSAS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2009

NOTE (15) PENSION PLANS - CONTINUED

4. Louisiana State Employees' Retirement System - Continued

Funding Policy

Plan members are required to contribute 11.5 percent of their annual covered salary. The City was required to contribute 18.5 percent of annual covered payroll until June 30, 2009, as established by state statute. As of July 1, 2009, the current rate was changed to 18.6 percent of annual covered payroll. The City's contributions to the System for the years ended August 31, 2009, 2008 and 2007 were \$6,271, \$6,616 and \$6,404, respectively, equal to the required contributions each year.

NOTE (16) SEGMENT INFORMATION

Enterprise Funds include the Electric Light and Waterworks and Sewer Funds which provide utility services to residents and the Rural Economic and Community Development Fund which accounts for grant funds to establish a revolving loan fund to help local businesses improve the local economy.

NOTE (17) RESTRICTED NET ASSETS

A breakdown of the restricted portion of net assets follows:

Governmental Activities

Insurance claims	
Internal Service A	\$35,896
Internal Service G	(7,896)
Workmen's Compensation Fund	941,946
Health Self Insurance Fund	(818,493)
<u>Total</u>	<u>151,453</u>
 Certificates of Indebtedness	
Sinking	85,473
Public improvement bond	
Construction fund	155,532
Property taxes paid under protest	<u>280</u>
 <u>Total governmental activities</u>	<u><u>392,738</u></u>

Business-type Activities

Restricted for Debt Service	
Cash and investments	
Sinking funds	\$704,347
Bond reserve funds	2,084,055
Bond contingency funds	<u>568,330</u>
<u>Total cash and investments</u>	<u>3,356,732</u>

CITY OF OPELOUSAS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2009

NOTE (17) RESTRICTED NET ASSETS - CONTINUED

Bonds payable within one year	\$(505,000)	
Net restricted for debt service		\$2,851,732
Restricted for construction		
Cash and investments	2,454,933	
Construction payable	(70,247)	
Retainage payable	<u>(28,102)</u>	2,356,584
Restricted for customers' meter deposits		
Cash and investments	1,222,918	
Deposits payable	<u>(801,395)</u>	421,523
Restricted for grants		<u>253,313</u>
 <u>Total business-type activities</u>		 <u>5,883,152</u>

NOTE (18) LITIGATION

Various suits and claims are pending against the City, its insurers, and others. In accordance with Statement of Financial Accounting Standards No. 5, the City's Internal Service Fund has provided for, in its financial statements, potential losses from the aforementioned pending suits and claims estimated by the City attorney.

One individual suit concerns the annual 2.5 percent raise for fiscal years 1984 through 1991. In this suit, City employees are demanding payment of the raise not given as well as lost retirement benefits. On November 13, 2007, the City of Opelousas tentatively accepted a settlement agreement. The settlement requires a total payment of \$800,000 to be paid in five equal annual installments of \$160,000. The second payment was made in the current fiscal year.

NOTE (19) COMMITMENTS AND CONTINGENCIES

The City received funding under grants from various federal and state agencies. The agency grants specify the purpose for which the grant monies are to be used; the grants are subject to audit by the granting agency or its representative.

The City of Opelousas is involved in several litigations in which the City may have some exposure per correspondence from the City's attorneys. Although the outcome of the lawsuits is not certain, in the opinions of the City's attorneys, the City could possibly have exposure in the range of \$380,000 to \$550,000. These amounts have not been recorded on the books because of the uncertainty in the probability of settlement.

NOTE (20) SELF-INSURANCE

The City maintains various self-insurance accounts for general and auto liability, workmen's compensation benefits and health insurance (accounted for in Internal Service Fund G, Internal Service Fund A, Workmen's Compensation Fund and Health Self Insurance Fund, respectively) as of August 31, 2009. Most funds of the City participate in the self-insurance funds by making payments based on premiums necessary to cover claims, administrative cost, and commercial insurance premiums, if applicable.

CITY OF OPELOUSAS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2009

NOTE (20) SELF-INSURANCE – CONTINUED

For the fiscal year ending August 31, 2009, the City was self-insured for the first \$300,000 of each claim relating to workmen's compensation insurance. The City is covered under an insurance contract for the excess liability.

For the fiscal year ended August 31, 2009, the City had two plans relating to the health insurance. If the individual is covered under the first plan, the City was self-insured for the first \$60,000 per person and the insurance company would cover the difference. If the individual is covered under the second plan, the City was self-insured for the first \$40,000 per person and insurance stops paying claims.

A reconciliation of claim liabilities which is included in the financial statements as accounts payable and accrued expenses and claims payable for the self-insurance funds follows:

	<u>Internal Service Fund G</u>	<u>Workmen's Compensation Fund</u>	<u>Health Self Insurance Fund</u>	<u>Total</u>
Beginning balance	\$740,000	\$12,412	\$270,719	\$1,023,131
Claims incurred	33,948	374,237	2,072,878	2,481,063
Claims paid	(193,948)	(386,649)	(1,974,184)	(2,554,781)
Ending balance	<u>580,000</u>	<u>-</u>	<u>369,413</u>	<u>949,413</u>

NOTE (21) ACCOUNTS RECEIVABLE - UTILITY FUNDS

As of August 31, 2009, the customer receivables recorded in the Electric Light and Waterworks Fund and Sewer Fund are net of allowances for uncollectible accounts. These allowances are \$246,207 and \$218,334, respectively.

As of August 31, 2009, customer receivables include unbilled revenue for the Electric Light and Waterworks Fund and Sewer Fund of \$386,378 and \$342,637, respectively. These amounts represent revenue earned which is not billed until the next billing cycle.

A summary of accounts receivable in the Utility Funds is as follows:

	<u>Electric Light and Waterworks</u>	<u>Sewer</u>	<u>Total</u>
Billed accounts receivable	\$549,156	\$383,601	\$932,757
Unbilled accounts receivable	386,378	342,637	729,015
Allowance for uncollectibles	(246,206)	(218,333)	(464,539)
	<u>689,328</u>	<u>507,905</u>	<u>1,197,233</u>

NOTE (22) SUBSEQUENT EVENTS

It was discovered after year-end that a City employee was using City water without paying for it. At year-end, this employee owed the City \$364.96.

Subsequent events were evaluated through February 27, 2010, which is the date the financial statements were available to be issued. As of this date there were no other subsequent events noted.

REQUIRED SUPPLEMENTARY INFORMATION

BUDGETARY COMPARISON SCHEDULES
MAJOR FUNDS

CITY OF OPELOUSAS, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEARS ENDED AUGUST 31, 2009 AND 2008

	2009				
	BUDGET			VARIANCE	2008
	ORIGINAL	FINAL	ACTUAL	FAVORABLE (UNFAVORABLE)	ACTUAL
<u>REVENUES</u>					
Taxes	\$ 2,113,064	\$ 2,138,700	\$ 2,164,354	\$ 25,654	\$ 2,206,502
Licenses and permits	812,825	812,825	808,960	(3,865)	860,996
Intergovernmental	1,000,800	1,604,704	1,975,439	370,735	1,335,332
Charges for services	367,475	298,496	177,638	(120,858)	198,600
Fines and forfeitures	-	-	127,764	127,764	130,475
Other	612,155	365,959	503,595	137,636	489,959
<u>Total revenues</u>	<u>4,906,319</u>	<u>5,220,684</u>	<u>5,757,750</u>	<u>537,066</u>	<u>5,221,864</u>
<u>EXPENDITURES</u>					
Current					
General government	2,041,133	1,928,598	1,873,811	54,787	1,879,513
Public safety	7,386,298	7,532,318	7,803,436	(271,118)	7,503,908
Public works	1,738,620	1,745,585	1,689,096	56,489	1,482,331
Health and welfare	475,036	472,036	461,214	10,822	456,098
Culture and recreation	1,515,080	1,503,802	1,543,448	(39,646)	1,424,015
Economic development	169,456	172,275	168,222	4,053	127,775
Capital outlays	1,269,046	1,724,806	1,451,853	272,953	2,066,077
Debt service					
Principal, interest, and other charges	617,310	617,310	789,318	(172,008)	801,244
<u>Total expenditures</u>	<u>15,211,979</u>	<u>15,696,730</u>	<u>15,780,398</u>	<u>(83,668)</u>	<u>15,740,961</u>
<u>DEFICIENCY OF REVENUES UNDER EXPENDITURES</u>					
	<u>(10,305,660)</u>	<u>(10,476,046)</u>	<u>(10,022,648)</u>	<u>453,398</u>	<u>(10,519,097)</u>
<u>OTHER FINANCING SOURCES (USES)</u>					
Operating transfers in	9,787,550	9,787,550	9,787,550	-	9,624,381
Inception of capital lease					635,000
Sale of capital assets	-	-	33,090	33,090	-
Operating transfers out	-	-	(155,000)	(155,000)	(526,000)
<u>Total other financing sources (uses)</u>	<u>9,787,550</u>	<u>9,787,550</u>	<u>9,665,640</u>	<u>(121,910)</u>	<u>9,733,381</u>

Continued on next page.

CITY OF OPELOUSAS, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGETARY COMPARISON SCHEDULE - (CONTINUED)
GENERAL FUND
FOR THE YEARS ENDED AUGUST 31, 2009 AND 2008

	2009				
	BUDGET			VARIANCE	2008
	ORIGINAL	FINAL	ACTUAL	FAVORABLE (UNFAVORABLE)	ACTUAL
<u>NET CHANGE IN FUND</u>					
<u>BALANCE</u>	<u>\$(518,110)</u>	<u>\$(688,496)</u>	\$ (357,008)	<u>\$331,488</u>	\$(785,716)
<u>FUND BALANCE,</u> beginning of year			<u>1,398,672</u>		<u>2,184,388</u>
<u>FUND BALANCE,</u> end of year			<u>1,041,664</u>		<u>1,398,672</u>

CITY OF OPELOUSAS, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGETARY COMPARISON SCHEDULE
SALES TAX FUND
FOR THE YEARS ENDED AUGUST 31, 2009 AND 2008

	2009				
	BUDGET			VARIANCE	2008
	ORIGINAL	FINAL	ACTUAL	FAVORABLE (UNFAVORABLE)	ACTUAL
<u>REVENUES</u>					
Taxes - sales	\$8,500,000	\$8,500,000	\$9,345,737	\$845,737	\$8,881,784
Other	132,200	136,000	140,931	4,931	120,662
<u>Total revenues</u>	<u>8,632,200</u>	<u>8,636,000</u>	<u>9,486,668</u>	<u>850,668</u>	<u>9,002,446</u>
<u>EXPENDITURES</u>					
Current					
General government					
Other services and charges	87,500	89,478	140,769	(51,291)	104,470
Repairs and	48,600	48,600	4,635	43,965	-
Allocated expenditures for services performed by other departments:					
Executive					
Other services and charges	222,000	222,000	222,000	-	219,000
<u>Total expenditures</u>	<u>358,100</u>	<u>360,078</u>	<u>367,404</u>	<u>(7,326)</u>	<u>323,470</u>
<u>EXCESS OF REVENUES OVER EXPENDITURES</u>					
	<u>8,274,100</u>	<u>8,275,922</u>	<u>9,119,264</u>	<u>843,342</u>	<u>8,678,976</u>
<u>OTHER FINANCING USES</u>					
Operating transfers out					
General Fund	(6,354,350)	(7,190,750)	(6,517,549)	673,201	(6,354,350)
Sewer Fund	(400,000)	(415,000)	(565,000)	(150,000)	(650,000)
Electric Light and Waterworks Fund	(1,000,000)	(1,000,000)	(1,608,888)	(608,888)	(1,200,000)
<u>Total other financing uses</u>	<u>(7,754,350)</u>	<u>(8,605,750)</u>	<u>(8,691,437)</u>	<u>(85,687)</u>	<u>(8,204,350)</u>

Continued on next page.

CITY OF OPELOUSAS, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGETARY COMPARISON SCHEDULE - (CONTINUED)
SALES TAX FUND
FOR THE YEARS ENDED AUGUST 31, 2009 AND 2008

	2009				
	BUDGET			VARIANCE	
	ORIGINAL	FINAL	ACTUAL	FAVORABLE (UNFAVORABLE)	2008 ACTUAL
NET CHANGE IN FUND BALANCE	\$ 519,750	\$(329,828)	\$ 427,827	\$757,655	\$ 474,626
FUND BALANCE, beginning of year			5,707,945		5,233,319
FUND BALANCE, end of year			6,135,772		5,707,945

OTHER SUPPLEMENTARY INFORMATION
(OPTIONAL)

GENERAL FUND

The General Fund is used to account for resources traditionally associated with governments which are not required legally or by sound financial management to be accounted for in another fund.

CITY OF OPELOUSAS, LOUISIANA
COMPARATIVE BALANCE SHEET
GENERAL FUND
AUGUST 31, 2009 AND 2008

<u>ASSETS</u>	<u>2009</u>	<u>2008</u>
Cash and cash equivalents	\$ 1,300,733	\$ 2,497,088
Due from other funds	528,527	95,625
Due from other governmental units	1,057,105	431,867
Inventory - at cost	43,914	41,284
Restricted asset:		
Cash and cash equivalents	<u>243,864</u>	<u>79,130</u>
<u>Total assets</u>	<u>3,174,143</u>	<u>3,144,994</u>
<u>LIABILITIES AND FUND BALANCE</u>		
<u>LIABILITIES</u>		
Accounts payable and accrued expenses	\$ 1,216,051	\$ 820,849
Deferred revenue - protest taxes	2,579	2,579
Due to other funds	449,087	523,024
Due to other governmental units	394,471	394,471
Accrued compensated absences	<u>70,291</u>	<u>5,399</u>
<u>Total liabilities</u>	<u>2,132,479</u>	<u>1,746,322</u>
<u>FUND BALANCE</u>		
Reserved for debt service	85,473	3,263
Reserved for construction	155,532	234,243
Reserved for inventory	43,914	41,284
Reserved for protest taxes	280	198
Unreserved, undesignated	<u>756,465</u>	<u>1,119,684</u>
<u>Total fund balance</u>	<u>1,041,664</u>	<u>1,398,672</u>
<u>Total liabilities and fund balance</u>	<u>3,174,143</u>	<u>3,144,994</u>

CITY OF OPELOUSAS, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
GENERAL FUND
FOR THE YEARS ENDED AUGUST 31, 2009 AND 2008

	2009		VARIANCE FAVORABLE (UNFAVORABLE)	2008
	BUDGET	ACTUAL		ACTUAL
<u>REVENUES</u>				
Taxes	\$ 2,138,700	\$ 2,164,354	\$ 25,654	\$ 2,206,502
Licenses and permits	812,825	808,960	(3,865)	860,996
Intergovernmental	1,604,704	1,975,439	370,735	1,335,332
Charges for services	298,496	177,638	(120,858)	198,600
Fines and forfeitures	-	127,764	127,764	130,475
Other	365,959	503,595	137,636	489,959
<u>Total revenues</u>	<u>5,220,684</u>	<u>5,757,750</u>	<u>537,066</u>	<u>5,221,864</u>
<u>EXPENDITURES</u>				
Current				
General government	1,928,598	1,873,811	54,787	1,879,513
Public safety	7,532,318	7,803,436	(271,118)	7,503,908
Public works	1,745,585	1,689,096	56,489	1,482,331
Health and welfare	472,036	461,214	10,822	456,098
Culture and recreation	1,503,802	1,543,448	(39,646)	1,424,015
Economic development	172,275	168,222	4,053	127,775
Capital outlays	1,724,806	1,451,853	272,953	2,066,077
Debt service				
Principal, interest, and other charges	617,310	789,318	(172,008)	801,244
<u>Total expenditures</u>	<u>15,696,730</u>	<u>15,780,398</u>	<u>(83,668)</u>	<u>15,740,961</u>
<u>DEFICIENCY OF REVENUES</u>				
<u>UNDER EXPENDITURES</u>	<u>(10,476,046)</u>	<u>(10,022,648)</u>	<u>453,398</u>	<u>(10,519,097)</u>
<u>OTHER FINANCING</u>				
<u>SOURCES (USES)</u>				
Operating transfers in	9,787,550	9,787,550	-	9,624,381
Sale of capital assets	-	33,090	-	635,000
Operating transfers out	-	(155,000)	(155,000)	(526,000)
<u>Total other financing</u>				
<u>sources (uses)</u>	<u>9,787,550</u>	<u>9,665,640</u>	<u>(155,000)</u>	<u>9,733,381</u>

Continued on next page.

CITY OF OPELOUSAS, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL - (CONTINUED)
GENERAL FUND
FOR THE YEARS ENDED AUGUST 31, 2009 AND 2008

	<u>2009</u>		<u>VARIANCE FAVORABLE UNFAVORABLE</u>	<u>2008 ACTUAL</u>
	<u>BUDGET</u>	<u>ACTUAL</u>		
<u>NET CHANGE IN FUND BALANCE</u>	<u>\$(688,496)</u>	<u>\$(357,008)</u>	<u>\$298,398</u>	<u>\$(785,716)</u>
<u>FUND BALANCE</u> , beginning of year		<u>1,398,672</u>		<u>2,184,388</u>
<u>FUND BALANCE</u> , end of year		<u>1,041,664</u>		<u>1,398,672</u>

CITY OF OPELOUSAS, LOUISIANA
STATEMENT OF REVENUES - BUDGET (GAAP BASIS) AND ACTUAL
GENERAL FUND
FOR THE YEARS ENDED AUGUST 31, 2009 AND 2008

	<u>2009</u>		<u>VARIANCE</u>	<u>2008</u>
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>FAVORABLE</u> <u>(UNFAVORABLE)</u>	<u>ACTUAL</u>
<u>TAXES</u>				
Ad valorem	\$ 920,000	\$ 957,554	\$37,554	\$ 910,066
Franchise	1,218,700	1,206,800	(11,900)	1,296,436
<u>LICENSES AND PERMITS</u>				
Occupational licenses	750,000	749,016	(984)	792,566
Beer and liquor permits	39,000	39,891	891	40,403
Building permits	5,750	7,206	1,456	6,493
Other	18,075	12,847	(5,228)	21,534
<u>INTERGOVERNMENTAL</u>				
<u>REVENUES</u>				
State beer tax	32,000	49,221	17,221	49,842
State tobacco tax				
Hotel/Motel Tax	94,000	94,672	672	48,956
Highway maintenance	13,680	14,890	1,210	14,890
Insurance rebate	69,000	69,562	562	67,996
Video poker	100,000	107,064	7,064	101,773
Housing Authority payment in lieu of taxes	-	77,920	77,920	68,799
Federal grants				
ACT 562 Training Grant	-	1,500	1,500	34,441
LA Hwy Safety Commission Grant	26,666	35,912	9,246	108,105
DARE Reimbursement Grant	44,858	44,858	-	3,500
FEMA Hurricane Disaster Grant	480,000	601,561	121,561	4,784
FEMA Assistance to Firefighters	249,500	247,500	(2,000)	-
Historic Preservation Fund Grant	-	2,540	2,540	-
State grants	-	8,291	8,291	-
Cooperative Endeavor Grant	-	23,750	23,750	-
Miscellaneous police grants	-	10,256	10,256	26,519
Integrated Criminal APPR Grant	-	15,946	15,946	-
Racino revenue	400,000	408,902	8,902	421,460
Leivieux Village Landscape Grant	-	-	-	8,681
OP Master Plan for Atchafalaya	-	-	-	500
Americorps Vista Grant	-	26,526	26,526	10,359
LACE Program	60,000	76,680	16,680	83,700
Solid Waste Road Appropriation	-	-	-	188,602
State Appropriation - Library	-	-	-	30,000
Litter Abatement	15,000	-	(15,000)	-
School Board salary reimbursements	-	2,929	2,929	14,207
DEA reimbursements	-	14,075	14,075	3,907
Parish Government reimbursement -				
Prisoner housing	20,000	36,036	16,036	39,175
Tourist salaries	-	4,848	4,848	5,136

Continued on next page.

CITY OF OPELOUSAS, LOUISIANA
STATEMENT OF REVENUES - BUDGET (GAAP BASIS) AND ACTUAL - (CONTINUED)
GENERAL FUND
FOR THE YEARS ENDED AUGUST 31, 2009 AND 2008

	2009		VARIANCE	2008
	BUDGET	ACTUAL	FAVORABLE (UNFAVORABLE)	ACTUAL
<u>CHARGES FOR SERVICES</u>				
Inspection fees	\$ 67,500	\$ 90,000	\$ 22,500	\$ 88,768
Grass cutting fees	5,000	4,652	(348)	6,675
Park fees	48,150	63,614	15,464	81,059
Sports sponsorships	8,000	8,746	746	8,380
Other	164,996	9,663	(155,333)	13,718
Police security	4,850	963	(3,887)	-
<u>FINES AND FORFEITURES</u>				
Court fines	-	127,764	127,764	130,475
<u>OTHER</u>				
Tourism/Museum	-	26,403	26,403	38,343
Interest earned	62,000	74,975	12,975	84,657
Donations	3,500	8,764	5,264	2,420
Donation of building	-	80,000	80,000	-
Rent	45,055	84,895	39,840	110,469
Cable - pole rental	23,064	28,890	5,826	59,002
Spice & Music Festival	91,000	83,226	(7,774)	61,291
Workers' compensation	42,500	42,205	(295)	-
Miscellaneous	98,840	74,237	(24,603)	133,777
<u>Total revenues</u>	<u>5,220,684</u>	<u>5,757,750</u>	<u>537,066</u>	<u>5,221,864</u>

CITY OF OPELOUSAS, LOUISIANA
STATEMENT OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
GENERAL FUND
FOR THE YEARS ENDED AUGUST 31, 2009 AND 2008

	<u>2009</u>		<u>VARIANCE</u>	<u>2008</u>
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>FAVORABLE</u> <u>(UNFAVORABLE)</u>	<u>ACTUAL</u>
<u>CURRENT</u>				
<u>GENERAL GOVERNMENT</u>				
<u>EXECUTIVE</u>				
Personal services	\$912,403	\$835,635	\$76,768	\$859,949
Supplies and materials	43,700	44,674	(974)	27,498
Other services and charges	271,540	252,648	18,892	267,303
Repairs and maintenance	123,500	103,513	19,987	53,233
Allocated expenditures - services performed for other departments	(315,300)	(285,300)	(30,000)	(315,300)
<u>JUDICIAL</u>				
City Court				
Personal services	309,946	306,807	3,139	299,966
Supplies and materials	13,000	16,133	(3,133)	14,642
Other services and charges	117,800	118,886	(1,086)	162,224
Repairs and maintenance	19,700	21,125	(1,425)	3,998
Marshall's office				
Personal services	171,474	173,834	(2,360)	168,766
Supplies and materials	1,200	1,256	(56)	1,444
Other services and charges	4,500	4,911	(411)	3,559
Repairs and maintenance	1,800	1,649	151	(1,090)
<u>ADMINISTRATION</u>				
Purchasing				
Personal services	81,046	80,040	1,006	74,853
Supplies and materials	1,325	842	483	996
Other services and charges	6,850	6,305	545	5,582
Repairs and maintenance	5,600	2,143	3,457	49,441
Civil Service				
Personal services	96,187	96,051	136	117,473
Supplies and materials	2,435	3,176	(741)	1,421
Other services and charges	11,408	9,949	1,459	7,821
Repairs and maintenance	150	56	94	1,878
General				
Supplies and materials	5,000	1,857	3,143	2,089
Other services and charges	37,834	72,524	(34,690)	42,086
Repairs and maintenance	5,500	5,097	403	29,681
<u>Total general government</u>	<u>1,928,598</u>	<u>1,873,811</u>	<u>54,787</u>	<u>1,879,513</u>

Continued on next page.

CITY OF OPELOUSAS, LOUISIANA
STATEMENT OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL - (CONTINUED)
GENERAL FUND
FOR THE YEARS ENDED AUGUST 31, 2009 AND 2008

	2009		VARIANCE	2008
	BUDGET	ACTUAL	FAVORABLE (UNFAVORABLE)	ACTUAL
<u>PUBLIC SAFETY</u>				
Police department				
Personal services	\$3,862,418	\$4,115,885	(\$253,467)	\$3,819,572
Supplies and materials	101,332	83,730	17,602	127,039
Other services and charges	592,718	647,587	(54,869)	547,498
Repairs and maintenance	298,525	320,171	(21,646)	401,939
Fire department				
Personal services	2,426,885	2,446,155	(19,270)	2,383,566
Supplies and materials	33,700	21,844	11,856	37,389
Other services and charges	142,140	102,999	39,141	111,895
Repairs and maintenance	74,600	65,065	9,535	75,010
<u>Total public safety</u>	<u>7,532,318</u>	<u>7,803,436</u>	<u>(271,118)</u>	<u>7,503,908</u>
<u>PUBLIC WORKS</u>				
Streets and drainage				
Personal services	982,950	991,852	(8,902)	832,347
Supplies and materials	48,500	55,275	(6,775)	53,658
Other services and charges	375,615	323,885	51,730	321,805
Repairs and maintenance	125,600	133,737	(8,137)	108,575
Municipal garage				
Personal services	171,595	140,678	30,917	138,341
Supplies and materials	17,500	11,488	6,012	10,545
Other services and charges	4,600	22,499	(17,899)	3,189
Repairs and maintenance	19,225	9,682	9,543	13,871
<u>Total public works</u>	<u>1,745,585</u>	<u>1,689,096</u>	<u>56,489</u>	<u>1,482,331</u>
<u>HEALTH AND WELFARE</u>				
Code enforcement				
Personal services	347,336	351,096	(3,760)	336,575
Supplies and materials	9,202	8,091	1,111	9,030
Other services and charges	81,698	79,242	2,456	79,312
Repairs and maintenance	33,800	22,785	11,015	31,181
<u>Total health and welfare</u>	<u>472,036</u>	<u>461,214</u>	<u>10,822</u>	<u>456,098</u>

Continued on next page.

CITY OF OPELOUSAS, LOUISIANA
STATEMENT OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL - (CONTINUED)
GENERAL FUND
FOR THE YEARS ENDED AUGUST 31, 2009 AND 2008

	2009		VARIANCE	2008
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>FAVORABLE (UNFAVORABLE)</u>	<u>ACTUAL</u>
<u>CULTURE AND RECREATION</u>				
Recreation division				
Personal services	\$103,268	\$106,756	(\$3,488)	\$102,094
Supplies and materials	22,009	21,213	796	13,507
Other services and charges	29,903	38,912	(9,009)	34,926
Repairs and maintenance				
Parks administration				
Personal services	621,950	567,309	54,641	548,981
Supplies and materials	49,500	54,674	(5,174)	40,244
Other services and charges	116,750	130,203	(13,453)	176,601
Repairs and maintenance	78,200	158,075	(79,875)	68,892
Tourism				
Personal services	167,420	163,138	4,282	144,355
Supplies and materials	17,900	13,264	4,636	6,902
Other services and charges	159,490	160,812	(1,322)	151,785
Repairs and maintenance	28,600	27,626	974	17,917
Museum				
Personal services	73,262	71,817	1,445	58,010
Supplies and materials	4,950	4,004	946	6,177
Other services and charges	21,800	18,001	3,799	19,106
Repairs and maintenance	8,800	7,644	1,156	34,518
<u>Total culture and recreation</u>	<u>1,503,802</u>	<u>1,543,448</u>	<u>(39,646)</u>	<u>1,424,015</u>
<u>ECONOMIC DEVELOPMENT</u>				
Community Development				
Personal services	114,950	93,284	21,666	88,382
Supplies and materials	2,725	2,069	656	1,363
Other services and charges	53,400	72,741	(19,341)	37,713
Repairs and maintenance	1,200	128	1,072	317
<u>Total economic development</u>	<u>172,275</u>	<u>168,222</u>	<u>4,053</u>	<u>127,775</u>

Continued on next page.

CITY OF OPELOUSAS, LOUISIANA
STATEMENT OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL - (CONTINUED)
GENERAL FUND
FOR THE YEARS ENDED AUGUST 31, 2009 AND 2008

	2009		VARIANCE	2008
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>FAVORABLE</u> <u>(UNFAVORABLE)</u>	<u>ACTUAL</u>
<u>CAPITAL OUTLAY</u>				
General government				
Executive	\$ -	\$ 21,700	\$(21,700)	\$ -
Administration				
General	25,000	38,883	(13,883)	93,495
Public safety				
Police department	251,120	165,552	85,568	705,113
Fire department	292,445	336,350	(43,905)	-
Public works				
Streets and drainage	294,258	107,181	187,077	1,066,859
Health and Welfare				
Code enforcement	6,983	6,852	131	42,377
Culture and recreation				
Parks administration	120,000	58,139	61,861	5,070
Tourism	390,000	717,196	(327,196)	153,163
Museum	345,000	-	345,000	-
<u>Total capital outlay</u>	<u>1,724,806</u>	<u>1,451,853</u>	<u>272,953</u>	<u>2,066,077</u>
<u>DEBT SERVICE</u>				
Principal	380,500	534,881	(154,381)	529,019
Interest	236,510	254,137	(17,627)	271,625
Commissions	300	300	-	600
<u>Total debt service</u>	<u>617,310</u>	<u>789,318</u>	<u>(172,008)</u>	<u>801,244</u>
<u>Total expenditures</u>	<u>15,696,730</u>	<u>15,780,398</u>	<u>(83,668)</u>	<u>15,740,961</u>

CITY OF OPELOUSAS, LOUISIANA
STATEMENT OF OTHER FINANCING SOURCES (USES) -
BUDGET (GAAP BASIS) AND ACTUAL
GENERAL FUND
FOR THE YEARS ENDED AUGUST 31, 2009 AND 2008

	2009		VARIANCE FAVORABLE (UNFAVORABLE)	2008 ACTUAL
	BUDGET	ACTUAL		
<u>OPERATING TRANSFERS IN</u>				
Sales Tax Fund	\$6,517,550	\$6,517,550	\$ -	\$6,354,350
Electric Light and Waterworks Fund	2,870,000	2,870,000	-	2,870,000
Emergency Shelter Fund	-	-	-	31
Sewer Fund	400,000	400,000	-	400,000
<u>Total operating transfers in</u>	<u>9,787,550</u>	<u>9,787,550</u>	<u>-</u>	<u>9,624,381</u>
<u>INCEPTION OF CAPITAL LEASES</u>				
	-	-	-	635,000
<u>Total inception of capital leases</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>635,000</u>
<u>SALE OF CAPITAL ASSETS</u>				
Sale of property	-	33,090	33,090	-
<u>Total sale of capital assets</u>	<u>-</u>	<u>33,090</u>	<u>33,090</u>	<u>-</u>
<u>OPERATING TRANSFERS OUT</u>				
Sewer Fund	-	-	-	(50,000)
Health Self Insurance Fund	-	(155,000)	(155,000)	(476,000)
<u>Total operating transfers out</u>	<u>-</u>	<u>(155,000)</u>	<u>(155,000)</u>	<u>(526,000)</u>
<u>Total other financing sources (uses)</u>	<u>9,787,550</u>	<u>9,665,640</u>	<u>(121,910)</u>	<u>9,733,381</u>

NON-MAJOR GOVERNMENTAL FUNDS

CITY OF OPELOUSAS, LOUISIANA
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
AUGUST 31, 2009 AND 2008

	<u>SPECIAL</u>	<u>DEBT</u>	<u>CAPITAL</u>	<u>TOTALS</u>	
	<u>REVENUE</u>	<u>SERVICE</u>	<u>PROJECTS</u>	<u>2009</u>	<u>2008</u>
<u>ASSETS</u>					
Cash and cash equivalents	\$42,595	\$27,363	\$16,323	\$ 86,281	\$ 150,514
Receivables					
Accounts	3,167	-	-	3,167	14,336
Special assessments	-	350,417	-	350,417	359,822
Accrued interest	-	594,318	-	594,318	573,133
<u>Total assets</u>	<u>45,762</u>	<u>972,098</u>	<u>16,323</u>	<u>1,034,183</u>	<u>1,097,805</u>
<u>LIABILITIES AND FUND BALANCES</u>					
<u>LIABILITIES</u>					
Accounts payable and accrued expenses	\$ 3,172	\$ -	\$ -	\$ 3,172	\$ 46,437
Due to other funds	36	-	-	36	36
<u>Total liabilities</u>	<u>3,208</u>	<u>-</u>	<u>-</u>	<u>3,208</u>	<u>46,473</u>
<u>FUND BALANCES</u>					
Unreserved, undesignated	42,554	972,098	16,323	1,030,975	1,051,332
<u>Total fund balances</u>	<u>42,554</u>	<u>972,098</u>	<u>16,323</u>	<u>1,030,975</u>	<u>1,051,332</u>
<u>Total liabilities and fund balances</u>	<u>45,762</u>	<u>972,098</u>	<u>16,323</u>	<u>1,034,183</u>	<u>1,097,805</u>

CITY OF OPELOUSAS, LOUISIANA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEARS ENDED AUGUST 31, 2009 AND 2008

	<u>SPECIAL REVENUE</u>	<u>DEBT SERVICE</u>	<u>CAPITAL PROJECTS</u>	<u>TOTALS</u>	
				<u>2009</u>	<u>2008</u>
<u>REVENUES</u>					
Intergovernmental	\$ 26,519	\$ -	\$ -	\$ 26,519	\$ 44,971
Public Safety	43,137	-	-	43,137	33,321
Investment earnings	2,578	649	574	3,801	3,032
Other	32,096	24,296	-	56,392	43,810
<u>Total revenues</u>	<u>104,330</u>	<u>24,945</u>	<u>574</u>	<u>129,849</u>	<u>125,134</u>
<u>EXPENDITURES</u>					
Current					
General government					
Executive department	-	6,800	-	6,800	6,800
Public safety	54,708	-	-	54,708	3,976
Health and welfare	43,788	-	-	43,788	44,971
Principal retirement	-	-	-	-	-
Interest and other charges	-	-	-	-	-
Repairs and maintenance	-	-	6,100	6,100	-
Capital outlay	38,810	-	-	38,810	-
<u>Total expenditures</u>	<u>137,306</u>	<u>6,800</u>	<u>6,100</u>	<u>150,206</u>	<u>55,747</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>	<u>(32,976)</u>	<u>18,145</u>	<u>(5,526)</u>	<u>(20,357)</u>	<u>69,387</u>
<u>OTHER FINANCING USES</u>					
Operating transfers out	-	-	-	-	(31)
<u>Total other financing uses</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(31)</u>
<u>NET CHANGE IN FUND BALANCES</u>	<u>(32,976)</u>	<u>18,145</u>	<u>(5,526)</u>	<u>(20,357)</u>	<u>69,356</u>
<u>FUND BALANCES, beginning of year</u>	<u>75,530</u>	<u>953,953</u>	<u>21,849</u>	<u>1,051,332</u>	<u>981,976</u>
<u>FUND BALANCES, end of year</u>	<u>42,554</u>	<u>972,098</u>	<u>16,323</u>	<u>1,030,975</u>	<u>1,051,332</u>

NON-MAJOR SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Louisiana Community Development Block Grant (LCDBG) Fund

Accounts for monies reimbursed from the Louisiana Community Development Block Grant for street improvements.

Police Department Detective Fund

Accounts for monies transferred from the General Fund to be used for detective investigation.

Emergency Shelter Grant Fund

Accounts for funds received from the State of Louisiana Department of Social Services for the purpose of rehabilitation and operations of the New Life Center and Light House Mission.

Police Witness Fee Fund

Accounts for monies transferred from the General Fund to be used for witness fees.

Police Seized Fund

Accounts for monies received when drug arrests are made and money is seized.

Industrial Park Fund

Accounts for funds received from the sale of land, lease income, or rental income in the City's Industrial Park. The funds received are not restricted.

Myrtle Grove Cemetery Fund

Accounts for funds received from the sale of lots in Myrtle Grove Cemetery. These funds are used for operating and capital expenditures for the Cemetery.

CITY OF OPELOUSAS, LOUISIANA
 COMBINING BALANCE SHEET
 NON-MAJOR SPECIAL REVENUE FUNDS
 AUGUST 31, 2009 AND 2008

	LCDBG FUND	POLICE DEPARTMENT FUND	EMERGENCY SHELTER GRANT FUND	POLICE WITNESS FEE FUND	POLICE SEIZED FUND	INDUSTRIAL PARK FUND	MYRTLE GROVE CEMETERY FUND	TOTALS
								2009 2008
ASSETS								
Cash and cash equivalents	\$ 5	\$ 2,477	\$ 132	\$ 7,976	\$ 13,068	\$ 91	\$ 18,846	\$ 42,595 \$ 107,667
Accounts receivable	-	-	3,167	-	-	-	-	3,167 14,336
Total assets	<u>5</u>	<u>2,477</u>	<u>3,299</u>	<u>7,976</u>	<u>13,068</u>	<u>91</u>	<u>18,846</u>	<u>45,762 122,003</u>
LIABILITIES AND FUND BALANCES								
LIABILITIES								
Accounts payable and accrued expenses	\$ -	\$ -	\$ 3,172	\$ -	\$ -	\$ -	\$ -	\$ 3,172 \$ 46,437
Due to other funds	<u>5</u>	<u>-</u>	<u>31</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>36 36</u>
Total liabilities	<u>5</u>	<u>-</u>	<u>3,203</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,208 46,473</u>
FUND BALANCES								
Unreserved, undesignated	-	2,477	96	7,976	13,068	91	18,846	42,554 75,530
Total fund	<u>-</u>	<u>2,477</u>	<u>96</u>	<u>7,976</u>	<u>13,068</u>	<u>91</u>	<u>18,846</u>	<u>42,554 75,530</u>
Total liabilities fund balances	<u>5</u>	<u>2,477</u>	<u>3,299</u>	<u>7,976</u>	<u>13,068</u>	<u>91</u>	<u>18,846</u>	<u>45,762 122,003</u>

CITY OF OPELOUSAS, LOUISIANA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES
 NON-MAJOR SPECIAL REVENUE FUNDS
 FOR THE YEARS ENDED AUGUST 31, 2009 AND 2008

	LCDBG FUND	POLICE DEPARTMENT DETECTIVE FUND	EMERGENCY SHELTER GRANT FUND	POLICE WITNESS FEE FUND	POLICE SEIZED FUND	INDUSTRIAL PARK FUND	MYRTLE GROVE CEMETERY FUND	TOTALS	
								2009	2008
<u>REVENUES</u>									
Intergovernmental	\$ -	\$ -	\$ 26,519	\$ -	\$ -	\$ -	\$ -	\$ 26,519	\$ 44,971
Public Safety	-	-	-	-	43,137	-	-	43,137	33,321
Interest	-	72	82	229	1,353	301	541	2,578	2,125
Miscellaneous	-	-	-	-	32,096	-	-	32,096	100
Total revenues	-	72	26,601	229	76,586	301	541	104,330	80,517
<u>EXPENDITURES</u>									
Current									
Public safety	-	-	-	-	54,708	-	-	54,708	3,976
Health and welfare	-	-	26,519	-	-	17,269	-	43,788	44,971
Capital Outlay	-	-	-	-	38,810	-	-	38,810	-
Total expenditures	-	-	26,519	-	93,518	17,269	-	137,306	48,947
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>	-	72	82	229	(16,932)	(16,968)	541	(32,976)	31,570
<u>OTHER FINANCING USES</u>									
Operating transfers out	-	-	-	-	-	-	-	-	(31)
Total other financing uses	-	-	-	-	-	-	-	-	(31)
<u>NET CHANGE IN FUND BALANCES</u>	-	72	82	229	(16,932)	(16,968)	541	(32,976)	31,539
<u>FUND BALANCES</u>									
beginning of year	-	2,405	14	7,747	30,000	17,059	18,305	75,530	43,991
<u>FUND BALANCES</u>									
end of year	-	2,477	96	7,976	13,068	91	18,846	42,554	75,530

CITY OF OPELOUSAS, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (GAAP BASIS) AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
POLICE DEPARTMENT DETECTIVE FUND
FOR THE YEARS ENDED AUGUST 31, 2009 AND 2008

	<u>2009</u>		<u>VARIANCE</u>	<u>2008</u>
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>FAVORABLE</u> <u>(UNFAVORABLE)</u>	<u>ACTUAL</u>
<u>REVENUES</u>				
Interest	<u>\$70</u>	<u>\$ 72</u>	<u>\$2</u>	<u>\$ 54</u>
<u>Total revenues</u>	<u>70</u>	<u>72</u>	<u>2</u>	<u>54</u>
<u>EXPENDITURES</u>				
Miscellaneous	<u>70</u>	<u>-</u>	<u>70</u>	<u>-</u>
<u>Total expenditures</u>	<u>70</u>	<u>-</u>	<u>70</u>	<u>-</u>
<u>NET CHANGE IN FUND</u>				
<u>BALANCE</u>	<u>-</u>	<u>72</u>	<u>72</u>	<u>54</u>
<u>FUND BALANCE,</u>				
beginning of year		<u>2,405</u>		<u>2,351</u>
<u>FUND BALANCE, end of year</u>		<u>2,477</u>		<u>2,405</u>

CITY OF OPELOUSAS, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (GAAP BASIS) AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
EMERGENCY SHELTER GRANT FUND
FOR THE YEARS ENDED AUGUST 31, 2009 AND 2008

	2009		VARIANCE	2008
	BUDGET	ACTUAL	FAVORABLE (UNFAVORABLE)	ACTUAL
<u>REVENUES</u>				
Intergovernmental				
Housing and urban development	\$23,347	\$26,519	\$3,172	\$44,971
Interest	-	82	82	31
<u>Total revenues</u>	<u>23,347</u>	<u>26,601</u>	<u>3,254</u>	<u>45,002</u>
<u>EXPENDITURES</u>				
Current				
Health and welfare				
Transfer to sub recipient	23,000	26,396	(3,396)	44,401
Administrative	347	123	224	570
<u>Total expenditures</u>	<u>23,347</u>	<u>26,519</u>	<u>(3,172)</u>	<u>44,971</u>
<u>EXCESS OF</u>				
<u>REVENUES OVER</u>				
<u>EXPENDITURES</u>	<u>-</u>	<u>82</u>	<u>82</u>	<u>31</u>
<u>OTHER FINANCING USES</u>				
Operating transfers out	-	-	-	(31)
<u>Total other financing uses</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(31)</u>
<u>NET CHANGE IN FUND BALANCE</u>	<u>-</u>	<u>82</u>	<u>82</u>	<u>-</u>
<u>FUND BALANCE, beginning of year</u>		<u>14</u>		<u>14</u>
<u>FUND BALANCE, end of year</u>		<u>96</u>		<u>14</u>

CITY OF OPELOUSAS, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (GAAP BASIS) AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
POLICE WITNESS FEE FUND
FOR THE YEARS ENDED AUGUST 31, 2009 AND 2008

	<u>2009</u>		<u>VARIANCE</u>	<u>2008</u>
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>FAVORABLE</u> <u>(UNFAVORABLE)</u>	<u>ACTUAL</u>
<u>REVENUES</u>				
Interest	<u>\$250</u>	<u>\$ 229</u>	<u>\$(21)</u>	<u>\$ 195</u>
<u>Total revenues</u>	<u>250</u>	<u>229</u>	<u>(21)</u>	<u>195</u>
<u>EXPENDITURES</u>				
Witness fees	<u>150</u>	<u>-</u>	<u>150</u>	<u>-</u>
<u>Total expenditures</u>	<u>150</u>	<u>-</u>	<u>150</u>	<u>-</u>
<u>NET CHANGE IN FUND</u> <u>BALANCE</u>	<u>100</u>	229	<u>129</u>	195
<u>FUND BALANCE,</u> beginning of year		<u>7,747</u>		<u>7,552</u>
<u>FUND BALANCE</u> , end of year		<u>7,976</u>		<u>7,747</u>

CITY OF OPELOUSAS, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (GAAP BASIS) AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
POLICE SEIZED FUND
FOR THE YEARS ENDED AUGUST 31, 2009 AND 2008

	<u>2009</u>		<u>VARIANCE</u>	<u>2008</u>
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>FAVORABLE</u> <u>(UNFAVORABLE)</u>	<u>ACTUAL</u>
<u>REVENUES</u>				
Interest	\$ 1,280	\$ 1,353	\$ 73	\$ 949
Public safety				
Seizure and forfeiture	39,705	43,137	3,432	33,321
Miscellaneous- unsettled deposits		32,096	32,096	
<u>Total revenues</u>	<u>40,985</u>	<u>76,586</u>	<u>35,601</u>	<u>34,270</u>
<u>EXPENDITURES</u>				
Current				
Public safety				
Criminal Investigation	89,441	54,708	34,733	3,976
Capital Outlay	-	38,810	(38,810)	-
<u>Total expenditures</u>	<u>89,441</u>	<u>93,518</u>	<u>(4,077)</u>	<u>3,976</u>
<u>NET CHANGE IN FUND BALANCE</u>	<u>(48,456)</u>	<u>(16,932)</u>	<u>31,524</u>	<u>30,294</u>
<u>FUND BALANCE (deficit), beginning of year</u>		<u>30,000</u>		<u>(294)</u>
<u>FUND BALANCE (deficit), end of year</u>		<u>13,068</u>		<u>30,000</u>

CITY OF OPELOUSAS, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (GAAP BASIS) AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
INDUSTRIAL PARK FUND
FOR THE YEARS ENDED AUGUST 31, 2009 AND 2008

	2009		VARIANCE	2008
	BUDGET	ACTUAL	FAVORABLE (UNFAVORABLE)	ACTUAL
<u>REVENUES</u>				
Interest	\$ 500	\$ 301	\$ (199)	\$ 432
Total revenues	500	301	(199)	432
<u>EXPENDITURES</u>	17,270	17,269	1	-
Total expenditures	17,270	17,269	1	-
<u>NET CHANGE IN FUND BALANCE</u>	<u>(16,770)</u>	(16,968)	<u>(198)</u>	432
<u>FUND BALANCE</u> , beginning of year		17,059		16,627
<u>FUND BALANCE</u> , end of year		<u>91</u>		<u>17,059</u>

CITY OF OPELOUSAS, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (GAAP BASIS) AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
MYRTLE GROVE CEMETERY FUND
FOR THE YEARS ENDED AUGUST 31, 2009 AND 2008

	<u>2009</u>		<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>	<u>2008 ACTUAL</u>
	<u>BUDGET</u>	<u>ACTUAL</u>		
<u>REVENUES</u>				
Interest	\$ 520	\$ 541	\$ 21	\$ 464
Miscellaneous	-	-	-	100
<u>Total revenues</u>	<u>520</u>	<u>541</u>	<u>21</u>	<u>564</u>
<u>EXPENDITURES</u>				
Miscellaneous	520	-	520	-
<u>Total expenditures</u>	<u>520</u>	<u>-</u>	<u>520</u>	<u>-</u>
<u>NET CHANGE IN FUND BALANCE</u>	<u>-</u>	541	<u>541</u>	564
<u>FUND BALANCE, beginning of year</u>		<u>18,305</u>		<u>17,741</u>
<u>FUND BALANCE, end of year</u>		<u>18,846</u>		<u>18,305</u>

NON-MAJOR DEBT SERVICE FUNDLocal Assessment Fund

Accumulates monies for payment of Paving Certificates, Series 1996 of \$71,049. The Paving Certificates were retired by assessments on the real properties along those applicable portions of streets within corporate limits.

CITY OF OPELOUSAS, LOUISIANA
COMBINING BALANCE SHEET
NON-MAJOR DEBT SERVICE FUND
LOCAL ASSESSMENT FUND
AUGUST 31, 2009 AND 2008

	<u>2009</u>	<u>2008</u>
<u>ASSETS</u>		
Cash and cash equivalents	\$27,363	\$20,998
Receivables		
Special assessment	350,417	359,822
Accrued interest	<u>594,318</u>	<u>573,133</u>
<u>Total assets</u>	<u>972,098</u>	<u>953,953</u>
<u>LIABILITIES</u>		
<u>Total liabilities</u>	<u>\$ -</u>	<u>\$ -</u>
<u>FUND BALANCE</u>		
Unreserved - undesignated	<u>972,098</u>	<u>953,953</u>
<u>Total fund balance</u>	<u>972,098</u>	<u>953,953</u>
<u>Total liabilities and fund balance</u>	<u>972,098</u>	<u>953,953</u>

CITY OF OPELOUSAS, LOUISIANA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE
NON-MAJOR DEBT SERVICE FUND
LOCAL ASSESSMENT FUND
FOR THE YEARS ENDED AUGUST 31, 2009 AND 2008

	<u>2009</u>	<u>2008</u>
<u>REVENUES</u>		
Other		
Interest earned on assessments	\$24,296	\$43,710
Interest on investments	649	359
<u>Total revenues</u>	<u>24,945</u>	<u>44,069</u>
<u>EXPENDITURES</u>		
Current		
General government		
Allocated expenditure - services performed by executive department	6,800	6,800
<u>Total expenditures</u>	<u>6,800</u>	<u>6,800</u>
<u>EXCESS OF REVENUES OVER EXPENDITURES</u>	<u>18,145</u>	<u>37,269</u>
<u>OTHER FINANCING USES</u>		
Operating transfers out	-	-
<u>Total other financing uses</u>	<u>-</u>	<u>-</u>
<u>NET CHANGE IN FUND BALANCE</u>	18,145	37,269
<u>FUND BALANCE, beginning of year</u>	<u>953,953</u>	<u>916,684</u>
<u>FUND BALANCE, end of year</u>	<u>972,098</u>	<u>953,953</u>

NON-MAJOR CAPITAL PROJECTS FUNDSCapital Projects Fund

To account for excess monies from CLECO settlement and other sources designated to be used for operating transfers to other funds as designated by management.

1995 Capital Projects Fund

To account for the expenditures associated with the acquisition of equipment and improving of public buildings financed by Certificates of Indebtedness, Series 1995.

CITY OF OPELOUSAS, LOUISIANA
COMBINING BALANCE SHEET
NON-MAJOR CAPITAL PROJECTS FUNDS
AUGUST 31, 2009 AND 2008

	CAPITAL PROJECTS FUND	1995 CAPITAL PROJECTS FUND	TOTALS	
			2009	2008
<u>ASSETS</u>				
Cash and cash equivalents	<u>\$11,906</u>	<u>\$4,417</u>	<u>\$16,323</u>	<u>\$21,849</u>
<u>Total assets</u>	<u>11,906</u>	<u>4,417</u>	<u>16,323</u>	<u>21,849</u>
<u>FUND BALANCES</u>				
Unreserved, undesignated	<u>\$11,906</u>	<u>\$4,417</u>	<u>\$16,323</u>	<u>\$21,849</u>
<u>Total fund balances</u>	<u>11,906</u>	<u>4,417</u>	<u>16,323</u>	<u>21,849</u>
<u>Total liabilities and fund balances</u>	<u>11,906</u>	<u>4,417</u>	<u>16,323</u>	<u>21,849</u>

CITY OF OPELOUSAS, LOUISIANA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
NON-MAJOR CAPITAL PROJECTS FUNDS
FOR THE YEARS ENDED AUGUST 31, 2009 AND 2008

	CAPITAL PROJECTS FUND	1995 CAPITAL PROJECTS FUND	TOTALS	
			2009	2008
<u>REVENUES</u>				
Other - interest earned	\$ 447	\$ 127	\$ 574	\$ 548
<u>Total revenues</u>	<u>447</u>	<u>127</u>	<u>574</u>	<u>548</u>
<u>EXPENDITURES</u>				
Repairs and maintenance	6,100	-	6,100	-
<u>Total expenditures</u>	<u>6,100</u>	<u>-</u>	<u>6,100</u>	<u>-</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>	<u>(5,653)</u>	<u>127</u>	<u>(5,526)</u>	<u>548</u>
<u>OTHER FINANCING USES</u>				
Operating transfers out	-	-	-	-
<u>Total other financing uses</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>NET CHANGE IN FUND BALANCES</u>	<u>(5,653)</u>	<u>127</u>	<u>(5,526)</u>	<u>548</u>
<u>FUND BALANCES, beginning of year</u>	<u>17,559</u>	<u>4,290</u>	<u>21,849</u>	<u>21,301</u>
<u>FUND BALANCES, end of year</u>	<u>11,906</u>	<u>4,417</u>	<u>16,323</u>	<u>21,849</u>

NON-MAJOR ENTERPRISE FUNDRural Economic and Community Development Grant Fund

Accounts for grant funds to be used to establish a revolving loan fund to facilitate the development of small and emerging private business, industry, and related employment for improving the economy in rural communities.

CITY OF OPELOUSAS, LOUISIANA
COMBINING STATEMENT OF NET ASSETS
NON-MAJOR ENTERPRISE FUND
RURAL ECONOMIC AND COMMUNITY DEVELOPMENT GRANT FUND
AUGUST 31, 2009 AND 2008

	<u>2009</u>	<u>2008</u>
<u>ASSETS</u>		
Cash and cash equivalents	\$ 49,343	\$13,525
Notes receivables, (net where applicable of uncollectibles)	191,058	219,745
Interest receivable	<u>12,916</u>	<u>8,912</u>
<u>Total assets</u>	<u>253,317</u>	<u>242,182</u>
<u>LIABILITIES</u>		
Accounts payable	<u>4</u>	<u>-</u>
<u>Total liabilities</u>	<u>4</u>	<u>-</u>
<u>NET ASSETS</u>		
Restricted	<u>253,313</u>	<u>242,182</u>
<u>Total net assets</u>	<u><u>253,313</u></u>	<u><u>242,182</u></u>

CITY OF OPELOUSAS, LOUISIANA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET ASSETS
NON-MAJOR ENTERPRISE FUND
RURAL ECONOMIC AND COMMUNITY DEVELOPMENT GRANT FUND
FOR THE YEARS ENDED AUGUST 31, 2009 AND 2008

	<u>2009</u>	<u>2008</u>
<u>OPERATING REVENUES</u>		
Charges for services		
Interest	<u>\$11,185</u>	<u>\$14,508</u>
<u>Total operating revenues</u>	<u>11,185</u>	<u>14,508</u>
<u>OPERATING EXPENSES</u>		
Supplies	54	40
Legal fees	-	284
Bad debt expense	-	-
<u>Total operating expenses</u>	<u>54</u>	<u>324</u>
<u>OPERATING INCOME</u>	11,131	14,184
<u>NET ASSETS, beginning of year</u>	<u>242,182</u>	<u>227,998</u>
<u>NET ASSETS, end of year</u>	<u>253,313</u>	<u>242,182</u>

CITY OF OPELOUSAS, LOUISIANA
COMBINING STATEMENT OF CASH FLOWS
NON-MAJOR ENTERPRISE FUND
RURAL ECONOMIC AND COMMUNITY DEVELOPMENT GRANT FUND
FOR THE YEARS ENDED AUGUST 31, 2009 AND 2008

	<u>2009</u>	<u>2008</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Cash received from customers	\$7,181	\$14,508
Loan proceeds distributed	-	(56,661)
Loan payments received	28,687	-
Cash payments for supplies and legal fees	(50)	(324)
<u>Net cash provided (used) by operating activities</u>	<u>35,818</u>	<u>(42,477)</u>
<u>NET INCREASE (DECREASE) IN CASH</u>	35,818	(42,477)
<u>CASH, September 1, 2008</u>	<u>13,525</u>	<u>56,002</u>
<u>CASH, August 31, 2009</u>	<u>49,343</u>	<u>13,525</u>
<u>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</u>		
Operating income	<u>\$11,131</u>	<u>\$14,184</u>
Adjustments to reconcile operating income to net cash provided (used) by operating activities:		
(Increase) decrease in accounts receivable	24,683	(56,661)
Increase (decrease) in accounts payable	4	-
<u>Total adjustments</u>	<u>24,687</u>	<u>(56,661)</u>
<u>Net cash provided by operating activities</u>	<u>35,818</u>	<u>(42,477)</u>

INTERNAL SERVICE FUNDS

Internal Service Fund A

Accounts for the billing to various funds and the payment for automobile claims. This fund also accounts for the monies held in a claims account for self-insurance purposes in connection with the above.

Internal Service Fund G

Accounts for the billing to various funds and the payment of general liability claims. This fund also accounts for the monies held in a claims account for self-insurance purposes in connection with the above coverage.

Workmen's Compensation Fund

Accounts for the billing to the various funds and the payment of insurance premiums for workmen's compensation coverage. This fund also accounts for the monies held in a claims account for the self-insured portion of each claim for the above coverage.

Health Self Insurance Fund

Accounts for the collection of health insurance premiums and the payment of individual claims.

CITY OF OPELOUSAS, LOUISIANA
 COMBINING STATEMENT OF NET ASSETS
 INTERNAL SERVICE FUNDS
 AUGUST 31, 2009 AND 2008

	INTERNAL SERVICE FUND A	INTERNAL SERVICE FUND G	WORKMEN'S COMPENSATION FUND	HEALTH SELF INSURANCE FUND	TOTALS
					2009 2008
<u>ASSETS</u>					
Cash and cash equivalents	\$36,451	\$563,153	\$941,946	\$(230,337)	\$1,311,213 \$2,056,569
Accounts receivable	-	1,000	-	289,010	290,010 33,808
Due from other funds	-	555	-	-	555 555
Equipment (net of accumulated depreciation)	-	7,396	-	-	7,396 8,710
<u>Total assets</u>	<u>36,451</u>	<u>572,104</u>	<u>941,946</u>	<u>58,673</u>	<u>1,609,174 2,099,642</u>
<u>LIABILITIES</u>					
<u>LIABILITIES</u>					
Accounts payable and accrued expenses	-	-	-	12,753	12,753 33,360
Claims payable	-	580,000	-	369,413	949,413 846,941
Due to other funds	555	-	-	495,000	495,555 75,555
<u>Total liabilities</u>	<u>555</u>	<u>580,000</u>	<u>-</u>	<u>877,166</u>	<u>1,457,721 955,856</u>
<u>NET ASSETS</u>					
Restricted for:					
Insurance claims	35,896	(7,896)	941,946	(818,493)	151,453 1,143,786
<u>Total net assets</u>	<u>35,896</u>	<u>(7,896)</u>	<u>941,946</u>	<u>(818,493)</u>	<u>151,453 1,143,786</u>

CITY OF OPELOUSAS, LOUISIANA
 COMBINING STATEMENT OF REVENUES, EXPENSES,
 AND CHANGES IN NET ASSETS
INTERNAL SERVICE FUNDS
 FOR THE YEARS ENDED AUGUST 31, 2009 AND 2008

	INTERNAL SERVICE FUND A	INTERNAL SERVICE FUND G	WORKMEN'S COMPENSATION FUND	HEALTH SELF INSURANCE FUND	TOTALS
					2009 2008
<u>OPERATING REVENUES</u>					
Charges for services	\$ 35,322	\$ 86,848	\$ 483,229	\$ 1,201,744	\$ 1,807,143
Premiums	-	1,216	-	-	1,216
Miscellaneous					
Total operating revenues	<u>35,322</u>	<u>88,064</u>	<u>483,229</u>	<u>1,201,744</u>	<u>1,808,359</u>
<u>OPERATING EXPENSES</u>					
Other services and charges					
Claims	-	193,948	452,530	1,974,184	2,620,662
Depreciation	-	1,313	-	-	1,313
Insurance	242,258	223,246	61,965	-	527,469
Administrative and other	3,000	6,000	10,000	-	19,000
Total operating expenses	<u>245,258</u>	<u>424,507</u>	<u>524,495</u>	<u>1,974,184</u>	<u>3,168,444</u>
<u>OPERATING LOSS</u>	<u>(209,936)</u>	<u>(336,443)</u>	<u>(41,266)</u>	<u>(772,440)</u>	<u>(1,360,085)</u>
<u>NON-OPERATING REVENUES</u>					
Investment income	2,918	26,780	30,166	2,888	62,752
Total non-operating revenues	<u>2,918</u>	<u>26,780</u>	<u>30,166</u>	<u>2,888</u>	<u>62,752</u>
<u>LOSS BEFORE</u>	<u>(207,018)</u>	<u>(309,663)</u>	<u>(11,100)</u>	<u>(769,552)</u>	<u>(1,297,333)</u>
<u>OPERATING TRANSFERS</u>					
OPERATING TRANSFERS IN (OUT)					
Operating transfers in	150,000	-	-	155,000	305,000
Operating transfers out	-	-	-	-	-
Total operating transfers in	<u>150,000</u>	<u>-</u>	<u>-</u>	<u>155,000</u>	<u>305,000</u>
<u>NET LOSS</u>	<u>(57,018)</u>	<u>(309,663)</u>	<u>(11,100)</u>	<u>(614,552)</u>	<u>(992,333)</u>
NET ASSETS (deficit), beginning of	92,914	301,767	953,046	(203,941)	1,143,786
NET ASSETS (deficit), end of year	<u>35,896</u>	<u>(7,896)</u>	<u>941,946</u>	<u>(818,493)</u>	<u>151,453</u>
					<u>1,143,786</u>

CITY OF OPELOUSAS, LOUISIANA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS

FOR THE YEARS ENDED AUGUST 31, 2009 AND 2008

	INTERNAL SERVICE FUND A	INTERNAL SERVICE FUND G	WORKMEN'S COMPENSATION FUND	HEALTH SELF INSURANCE FUND	TOTALS
					2009 2008
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>					
Premiums received	\$35,323	\$85,849	\$483,229	\$913,182	\$1,517,583 \$1,633,413
Miscellaneous income	-	1,216	-	-	1,216 4,437
General and administrative expenses paid	(3,000)	(6,000)	(10,000)	-	(19,000) (42,042)
Claims paid	-	(353,948)	(386,649)	(1,698,959)	(2,439,556) (2,306,587)
Legal expenses paid	-	(1,870)	(65,881)	-	(67,751) (203,264)
Insurance paid	(242,259)	(221,376)	(61,965)	-	(525,600) (490,138)
Net cash used by operating activities	(209,936)	(496,129)	(41,266)	(785,777)	(1,533,108) (1,404,181)
<u>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</u>					
Operating transfers in	150,000	-	-	575,000	725,000 551,000
Operating transfers out	-	-	-	-	- -
Net cash provided by non-capital financing activities	150,000	-	-	575,000	725,000 551,000
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>					
Proceeds from sales of investments	-	-	-	-	- 1,462,491
Interest earned	2,918	26,780	30,166	2,888	62,752 70,892
Net cash provided by investing activities	2,918	26,780	30,166	2,888	62,752 1,533,383
<u>NET INCREASE (DECREASE) IN CASH</u>	(57,018)	(469,349)	(11,100)	(207,889)	(745,356) 680,202

Continued on next page.

CITY OF OPELOUSAS, LOUISIANA
 COMBINING STATEMENT OF CASH FLOWS - (CONTINUED)
 INTERNAL SERVICE FUNDS
 FOR THE YEARS ENDED AUGUST 31, 2009 AND 2008

	INTERNAL SERVICE FUND A	INTERNAL SERVICE FUND G	WORKMEN'S COMPENSATION FUND	HEALTH SELF INSURANCE FUND	TOTALS
					2009 2008
<u>CASH AND CASH EQUIVALENTS,</u> September 1, 2008	\$ 93,469	\$1,032,502	\$953,046	\$ (22,448)	\$ 2,056,569 \$ 1,376,367
<u>CASH AND CASH EQUIVALENTS,</u> August 31, 2009	<u>36,451</u>	<u>563,153</u>	<u>941,946</u>	<u>(230,337)</u>	<u>1,311,213 2,056,569</u>
<u>RECONCILIATION OF OPERATING</u> <u>INCOME (LOSS) TO NET CASH</u> <u>PROVIDED (USED) BY OPERATING</u> <u>ACTIVITIES</u>	<u>\$(209,936)</u>	<u>\$ (336,443)</u>	<u>\$ (41,266)</u>	<u>\$ (772,440)</u>	<u>\$(1,360,085) \$(1,856,124)</u>
Operating loss					
Adjustments to reconcile operating					
income (loss) to net cash provided					
(used) by operating activities:					
Depreciation	-	1,314	-	-	1,314 1,313
(Increase) decrease in accounts					
receivable	-	(1,000)	-	(288,562)	(289,562) 6,946
Increase (decrease) in accounts payable	-	-	-	12,753	12,753 (32,538)
Increase (decrease) in claims payable	-	(160,000)	-	262,472	102,472 476,222
Total adjustments	-	(159,686)	-	(13,337)	(173,023) 451,943
Net cash used by	<u>(209,936)</u>	<u>(496,129)</u>	<u>(41,266)</u>	<u>(785,777)</u>	<u>(1,533,108) (1,404,181)</u>
operating activities					

FIDUCIARY FUNDPayroll Account

Accounts for the centralization of the City's payroll and related expenses.

CITY OF OPELOUSAS, LOUISIANA
COMBINING STATEMENT OF ASSETS AND LIABILITIES
AGENCY FUND
AUGUST 31, 2009 AND 2008

	<u>PAYROLL ACCOUNT</u>	
	<u>2009</u>	<u>2008</u>
<u>ASSETS</u>		
Cash and cash equivalents	\$94,467	\$92,620
Accounts receivable	89,371	-
Due from other funds	<u>128,435</u>	<u>201,840</u>
<u>Total assets</u>	<u>312,273</u>	<u>294,460</u>
<u>LIABILITIES</u>		
<u>LIABILITIES</u>		
Accounts payable and accrued expenses	\$155,723	\$145,908
Due to other funds	<u>156,550</u>	<u>148,552</u>
<u>Total liabilities</u>	<u>312,273</u>	<u>294,460</u>

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 Dana D. Quebedeaux, CPA



JOHN S. DOWLING & COMPANY
 A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

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 1904-1984
 John Newton Stout, CPA
 1936-2005

Retired

Harold Dupre, CPA
 1996
 Dwight Ledoux, CPA
 1998
 Joel Lanclos, Jr., CPA
 2003
 Russell J. Stelly, CPA
 2005

REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

To the Honorable Donald Cravins, Sr., Mayor
 and the Board of Aldermen and Alderwomen
 City of Opelousas, Louisiana

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Opelousas, Louisiana as of and for the year ended August 31, 2009, which collectively comprise the City of Opelousas, Louisiana's basic financial statements and have issued our report thereon dated February 27, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the City of Opelousas' ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than remote likelihood that a misstatement of the City's financial statements that is more than inconsequential will not be prevented or detected by the City's internal control. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs to be significant deficiencies in internal control over financial reporting as items 2009-1, 2009-2, 2009-3 and 2009-4.

To the Honorable Donald Cravins, Sr., Mayor
and the Board of Aldermen and Alderwomen
Page 2

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the City's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies or material weaknesses. However, of the significant deficiencies described above, we consider items 2009-1, 2009-2, 2009-3 and 2009-4 to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Opelousas, Louisiana's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance that is required to be reported under Government Auditing Standards, which is described in the accompanying Schedule of Findings and Questioned Costs as item 2009-5.

We noted certain matters that we reported to management of the City of Opelousas, in a separate letter dated February 27, 2010.

The City of Opelousas, Louisiana's response to the findings identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. We did not audit the City of Opelousas, Louisiana's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, City Council, federal awarding agencies, pass-through entities, and the Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

John S. Dawling & Company

Opelousas, Louisiana
February 27, 2010

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REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE
 TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER
 COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

To the Honorable Donald Cravins, Sr., Mayor
 and the Board of Aldermen and Alderwomen
 City of Opelousas, Louisiana

Compliance

We have audited the compliance of the City of Opelousas, with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended August 31, 2009. The City of Opelousas's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the City of Opelousas's management. Our responsibility is to express an opinion on the City of Opelousas's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Nonprofit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City of Opelousas's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the City of Opelousas's compliance with those requirements.

In our opinion, the City of Opelousas complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended August 31, 2009.

To the Honorable Donald Cravins, Sr., Mayor
and the Board of Aldermen and Alderwomen
Page 2

Internal Control Over Compliance

The management of the City of Opelousas is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the City of Opelousas's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City of Opelousas's internal control over compliance.

A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management, federal awarding agencies, pass-through entities, and the Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

John S. Dowling & Company

Opelousas, Louisiana
February 27, 2010

CITY OF OPELOUSAS, LOUISIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AUGUST 31, 2009

<u>FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM OR CLUSTER TITLE</u>	<u>FEDERAL CFDA NUMBER</u>	<u>EXPENDITURES</u>
U.S. Department of Housing and Urban Development		
Pass-through payments		
Louisiana Department of Social Services		
Emergency Shelter Grant Program	14.231	\$26,519
Department of Homeland Security (FEMA)		
Disaster Grants – Public Assistance	97.036	585,356
Assistance to Firefighters Grant	97.044	247,500
Department of Education		
Louisiana Department of Education		
Pass-through payments:		
Safe and Drug Free Schools and Communities State Grants	84.186	44,858
U.S. Department of Justice		
Pass-through payments:		
Louisiana Commission on Law Enforcement		
and Administration on Criminal Justice		
Byrne Formula Grant Program	16.579	1,500
Department of Transportation		
Pass-through payments:		
Louisiana Highway Safety Commission		
State and Community Highway Safety	20.600	35,912
Environmental Protection Agency		
Pass-through payments:		
Louisiana Department of Environmental Quality		
Revolving Fund Loan Program		
Capitalization Grants for Clean Water State Revolving Funds	66.458	895,979
Department of the Interior		
Historic Preservation Fund Grants-In-Aid	15.904	<u>2,540</u>
<u>Totals</u>		<u>1,840,164</u>

See accompanying notes to schedule of expenditures of federal awards.

CITY OF OPELOUSAS, LOUISIANA
NOTES TO SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS
AUGUST 31, 2009

NOTE 1 - GENERAL

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal financial assistance programs of the City of Opelousas. The reporting entity is defined in Note 1 to the basic financial statements. All federal financial assistance received directly from federal agencies as well as federal financial assistance passed through other government agencies are included on the schedule.

NOTE 2 - BASIS OF ACCOUNTING

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting for the federal assistance. The basis of accounting is described in Note 1 to the basic financial statements.

NOTE 3 - SUBRECIPIENTS

The federal expenditures of the Emergency Shelter Grants Program presented in the schedule, were federal awards provided to subrecipients by the City as follows:

<u>Subrecipient Title</u>	<u>Federal CFDA Number</u>	<u>Amount Provided</u>
Opelousas Housing Corporation		
d/b/a New Life Center	14.231	\$25,995
Lighthouse Mission	14.231	<u>524</u>
		<u>26,519</u>

CITY OF OPELOUSAS, LOUISIANA
NOTES TO SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS - (CONTINUED)
AUGUST 31, 2009

NOTE 4 - RELATIONSHIP TO FINANCIAL STATEMENTS

Federal financial assistance revenue is reported in the City of Opelousas' basic financial statements as follows:

	<u>Revenues</u>
<u>Special Revenue Funds</u>	
Intergovernmental Revenues	
Emergency Shelter Grant Program	<u>\$216,519</u>
<u>General Fund</u>	
Intergovernmental Revenues	
Federal grants	
DARE reimbursement grant	\$44,858
ACT 562 Training Grant	1,500
LA Hwy Safety Commission Grant	35,912
FEMA Hurricane Disaster Grant	601,561
FEMA Assistance to Firefighters Grant	247,500
Historic Preservation Fund Grant	<u>2,540</u>
<u> Total General Fund</u>	<u>933,871</u>
<u>Sewer Fund</u>	
Sewer Loan -- DEQ	<u>\$895,879</u>

CITY OF OPELOUSAS, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
AUGUST 31, 2009

I. SUMMARY OF AUDIT RESULTS

The following summarizes the auditor's results in accordance with OMB Circular A-133:

1. The auditor's report expresses an unqualified opinion on the financial statements of the City of Opelousas as of and for the year ended August 31, 2009.
2. Five control deficiencies relating to the audit of the financial statements are reported in the Report on Internal Control over Financial Reporting and on Compliance and other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards.
3. One instance of noncompliance material to the financial statements of the City of Opelousas was disclosed during the audit.
4. No significant deficiencies in internal control over major federal award programs disclosed during the audit are reported in the Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control over Compliance in Accordance with OMB Circular A-133.
5. The Auditor's Report on Compliance for the major federal award programs for the City of Opelousas expresses an unqualified opinion on all major federal programs.
6. There are no audit findings relative to the major federal award programs for the City of Opelousas to be reported in Part III of this Schedule.
7. The programs tested as major programs were the Environmental Protection Agency-Capitalization Grants for Clean Water State Revolving Funds (CFDA #66.458) and the Department of Homeland Security-Disaster Grants-Public Assistance (CFDA #97.036).
8. The threshold used to distinguish a Type A from Type B program was \$300,000.
9. The City of Opelousas did not qualify as a low-risk auditee.

II. FINDINGS – FINANCIAL STATEMENT AUDIT

Internal Control Material to the Financial Statements

2009-1 Inadequate ORECD Revolving Loan Policies and Procedures

Condition: The City of Opelousas does not have adequate policies and procedures for the ORECD loan program. The loan files do not contain proper loan documentation. ORECD program guidelines were not followed. The City did not pursue collection on delinquent loans. There was a lack of monitoring and an improper segregation of duties within the loan program.

Criteria: The ORECD program has guidelines regarding loan documentation, interest rates, repayment terms, occupational licenses, collections, and monitoring practices.

CITY OF OPELOUSAS, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
AUGUST 31, 2009

2009-1 Inadequate ORECD Revolving Loan Policies and Procedures - Continued

Cause: The City of Opelousas does not have adequate policies or procedures over the ORECD loan program.

Effect: ORECD loan files do not contain proper loan documentation. Program guidelines were not followed. Collections were not pursued. There was a lack of monitoring and an improper segregation of duties.

Recommendation: The City of Opelousas should immediately incorporate adequate policies and procedures for the ORECD loan program and seek legal action for collections on delinquent loans.

Corrective action planned: The former Director of the program has been terminated from the position. No further loans will be made until a Citizens Board can be appointed by the Mayor to oversee the program as a Board of Directors as required by the Rural Development Agency. The City has also assigned an employee the responsibility of collecting current outstanding loans which has produced excellent results. Lawsuits will also be filed against delinquent account holders.

Contact person: Karen Frank, City Clerk

Anticipated completion date: April 30, 2010

2009-2 Inadequate Control Over Capital Assets

Condition: The City of Opelousas does not have adequate control over capital assets.

Criteria: All capital asset purchases and disposals made during the year must be captured on the City's inventory listing. A physical inventory must be taken yearly and balanced to the inventory listing.

Cause: All purchase disposals made during the year are not being recorded on inventory listing. Physical inventories are not being taken yearly.

Effect: Inventory listings are not correct. Capital assets are not adequately controlled.

Recommendation: The City of Opelousas should institute procedures to ensure that all capital assets are captured and properly accounted for.

Corrective action planned: The City of Opelousas will charge one individual to do a complete inventory of all City assets. Once a complete and accurate list is generated, the same individual will do a monthly inventory in each department to ensure that all capital assets are captured.

Contact person: Karen Frank, City Clerk

Anticipated completion date: August 31, 2010

CITY OF OPELOUSAS, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
AUGUST 31, 2009

2009-3 Delinquent Utility Accounts

Condition: The City of Opelousas does not have procedures in place to collect delinquent utility accounts. The City is not pursuing collection of delinquent utility accounts.

Criteria: Delinquent utility accounts should be collected within a reasonable period of time.

Cause: No action is taken when a utility account is not collected within a reasonable period of time.

Effect: Collections are not pursued on delinquent accounts.

Recommendation: The City of Opelousas should institute procedures to collect delinquent utility accounts.

Corrective action planned: The City of Opelousas will direct a current employee to make contact on current delinquent accounts. The City will seek the services of a Credit Bureau for collection on older/uncollectible accounts for a percentage of collections. Accounts that are delinquent three or more years will be written off after receiving approval from the City Council to initiate write-off.

Contact person: Karen Frank, City Clerk

Anticipated completion date: August 31, 2010

2009-4 Electric Light and Waterworks Fund

Condition: The City does not have procedures to ensure that all water usage is being billed to customers.

Criteria: The City must have procedures to determine that all water usage is billed and accounted for.

Cause: Water usage is not being analyzed to determine usage and loss.

Effect: Water usage may not be fully billed.

Recommendation: The City of Opelousas should run reports monthly which would show usage. The results should be investigated and all instances of water not being billed should be followed upon.

Corrective action planned: A meeting has been scheduled with several staff members and other parties involved in the implementation of the new meter system. At this meeting a resolution to this problem should be identified and responsibilities assigned which will improve the way water usage and loss is analyzed and billed.

Contact person: Karen Frank, City Clerk

Anticipated completion date: June 1, 2010

CITY OF OPELOUSAS, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
AUGUST 31, 2009

Compliance Material to the Financial Statements

2009-5 Public Bid Law Not Followed

Condition: The City of Opelousas' Parks and Street Departments did not follow the public bid law in two instances.

Criteria: Louisiana Revised Statute 38:2212 states that all purchases of materials and supplies which exceed \$20,000 shall be advertised and let by contract to the lowest bidder and all purchases which exceed \$10,000 but are less than \$20,000 the government should obtain no less than three quotes from different suppliers.

Cause: The City failed to comply with the public bid law.

Effect: Purchases were made by the City of Opelousas' Parks Department and Street Department without advertising or obtaining proper bids or quotes.

Recommendation: The City should strictly adhere to the Public Bid Law for all purchases.

Corrective action planned: The City will adhere to the Public Bid Law for all purchases. All Department managers will be brought up to date on the new thresholds required by the Public Bid Laws.

Contact person: Karen Frank, City Clerk

Anticipated completion date: March 15, 2010

III. FINDINGS- MAJOR FEDERAL AWARD PROGRAMS AUDIT

None

CITY OF OPELOUSAS, LOUISIANA
SCHEDULE OF PRIOR YEAR FINDINGS
AUGUST 31, 2009

Section I - Internal Control and Compliance Material to the Financial Statements

2008-1 – Inadequate ORECD Revolving Loan Documentation

Repeat comment.

2008-2 – Inadequate Control over Capital Assets

Repeat comment.

2008-3 – Social Security Benefits

Repeat comment.

2008-4 – Public Bid Law Not Followed

Repeat comment.

Section II - Internal Control and Compliance Material to Federal Awards

None

Section III - Management Letter

2008-5 – Budget Amendment

Repeat comment.

2008-6 – Non-Compensatory Benefits Received by Two Individuals That are Paid as Independent Contractors

Repeat comment.

2008-7 – Personal Use of Public Property

Corrective action taken.

OTHER SUPPLEMENTARY INFORMATION

CITY OF OPELOUSAS, LOUISIANA
SCHEDULE OF PER DIEM PAID TO THE GOVERNING BODY
AUGUST 31, 2009

	<u>Salary</u>	<u>Car Allowance</u>	<u>Total</u>
Donald Cravins, Mayor	\$71,739	\$7,980	\$79,719
Dale Pfefferkorn, Alderman	16,883	4,200	21,083
Geraldine Hawkins, Alderwoman	4,035	1,050	5,085
Harvey Darbonne, Alderman-at-large	17,659	4,200	21,859
Brian Thomas, Alderman	630		630
Louis Butler, Alderman	16,391	4,200	20,591
Jacqueline Martin, Alderwoman	16,391	4,200	20,591
Julius Alsandor	4,539	1,050	5,589
Reginold Tatum	12,356	3,150	15,506
Larry Callier, Jr.	<u>10,212</u>	<u>2,800</u>	<u>13,012</u>
	<u>170,835</u>	<u>32,830</u>	<u>203,665</u>

CITY OF OPELOUSAS, LOUISIANA
SCHEDULE OF INSURANCE IN FORCE - (UNAUDITED)
AUGUST 31, 2009

<u>TYPE OF COVERAGE AND NAME OF COMPANY</u>	<u>NUMBER</u>	<u>PERIOD FROM</u>	<u>PERIOD TO</u>	<u>DETAILS OF COVERAGE</u>	<u>CO-INSURANCE</u>
<u>Workmen's Compensation</u> Safety National Casualty Corp.	AGC-1P44-LA	5/01/09	5/01/10	Workmen's compensation	None
<u>Commercial Inland Marine Coverages</u> Hartford Insurance Company	72MSVZ6322	7/12/09	7/12/10	Communications equipment, Computer equipment, contractor's equip., signs Deductible - \$1,000	None
<u>Property Coverage</u> Landmark American Insurance Company	LHD346293	4/17/09	4/17/10	Fire and property Deductible - \$50,000 Boiler and machinery	None
<u>All Vehicles</u> Lincoln General Insurance Company	CM1050670	6/18/09	6/18/10	Automobiles	None
<u>Public Officials - Errors and Omissions</u> American International Specialty Lines	741-98-41	4/17/09	4/17/10	Public officials	None
<u>Employees Dishonesty Blanket Bond</u> Fidelity and Deposit Company	CCP140654513	1/15/09	1/15/10	Clerks and cashiers	None
<u>Public Officer Bonds</u> Western Surety Company	30374179	1/25/09	1/25/10	City clerk	None
City clerk and tax collector	6925088	11/15/09	11/15/10	Clerk III	None
Clerk III	70268079	1/01/09	1/01/10	Mayor	None
<u>Fire Department -- General Liability and Auto</u>	VFIS-TR-2051061	2/09/09	2/09/10	General liability and auto	None
<u>Law Enforcement -- Professional Liability</u> Lexington Insurance Company	E16761212	4/17/09	4/17/10	Law enforcement	None
<u>Special Event Policy</u> James River Insurance Company	00024393	6/01/09	6/04/10	Festival liability	None

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James L. Nicholson, Jr., CPA
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Michael A. Roy, CPA
Lisa Trouille Manuel, CPA
Dana D. Quebedeaux, CPA



JOHN S. DOWLING & COMPANY
A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

John S. Dowling, CPA
1904-1984
John Newton Stout, CPA
1936-2005

Retired

Harold Dupre, CPA
1996
Dwight Ledoux, CPA
1998
Joel Lanclos, Jr., CPA
2003
Russell J. Stelly, CPA
2005

February 27, 2010

To the Honorable Donald Cravins, Sr., Mayor
and the Board of Aldermen and Alderwomen
City of Opelousas
Opelousas, Louisiana

We have audited the financial statements of the City of Opelousas, Louisiana, as of and for the year ended August 31, 2009, and have issued our report thereon dated February 27, 2010. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

As part of our examination, we have issued our report on the financial statements, dated February 27, 2010, and our report on internal control and compliance with laws, regulations, contracts, and grants dated February 27, 2010. This letter does not affect our report dated February 27, 2010 on the financial statements of the City of Opelousas.

During our audit, we became aware of the following matters which represent suggestions for improved internal controls or immaterial deviations of noncompliance.

Immaterial Deviation of Noncompliance

2009-6 Budget Amendment

Condition: The budget was not properly amended for the Emergency Shelter Grant Fund, Police Witness Fee Fund and Industrial Park Fund.

Criteria: Louisiana Local Government Budget Act (LSA-RS 39:1310) states that the budget must be amended when actual expenditures exceed budgeted expenditures by 5% or more.

Cause: The budgets for the Emergency Shelter Grant Fund, Police Witness Fee Fund and Industrial Park Fund were not properly amended.

Effect: Actual expenditures exceeded budgeted expenditures by \$3,172 in the Emergency Shelter Grant Fund, which caused the percentage variance to be 12%. Actual revenues were \$21 less than budgeted revenues in Police Witness Fee Fund which caused the percentage variance to be 12%. For the Industrial Park Fund actual revenues were \$199 less than budgeted revenues which caused the percentage variance to be 66%.

Recommendation: The City should properly amend all budgets.

To the Honorable Donald Cravins, Sr., Mayor
and the Board of Aldermen and Alderwomen
Page 2

Corrective action planned: All budgets will be properly amended to comply within the 5% variance.

Contact person: Karen Frank, City Clerk

Anticipated completion date: August 31, 2010

2009-7 Non-Compensatory Benefits Received by Two Individuals that are Paid as Independent Contractors

Condition: Two individuals paid as independent contractors by the City were receiving non-compensatory benefits from the City including the use of the City's office space and supplies.

Criteria: According to guidelines set by the Internal Revenue Service, an independent contractor receiving non-compensatory benefits should be considered an employee rather than an independent contractor.

Cause: The City has a lack of internal control procedures with respect to conducting business with independent contractors.

Effect: Non-compensatory benefits were given to individuals being paid as independent contractors.

Recommendation: The City should not provide non-compensatory benefits to individuals paid as independent contractors.

Corrective action planned: One of these individuals is no longer with the City. The other has been put on payroll.

Contact person: Karen Frank, City Clerk

Anticipated completion date: March 1, 2010

2009-8 Deposits Not Made Timely by Police Department

Condition: Money collected by the Police Department is not deposited in a timely manner.

Criteria: All City collections must be promptly deposited in order to ensure proper cash management.

Cause: The Police Department is holding checks for months before turning them over for deposit.

To the Honorable Donald Cravins, Sr., Mayor
and the Board of Aldermen and Alderwomen
Page 3

Effect: Deposits for money collected by the Police Department are not made or recorded on a timely basis.

Recommendation: All deposits should be made on a timely basis.

Corrective action planned: Agencies requesting accident reports do send in the required fee with their mail-in request. However, sometimes the accident report is not complete or it has not been turned in at the time Records Section receives the request. Therefore, the mail-in request along with the check is held until the report becomes available. We can not turn in the check(s) to the Water Department before we actually receive the report and mail it out to the Agency(ies) requesting said report(s).

For record keeping purposes we will document and note when such incidents (delayed deposits) occur.

Contact person: Perry Gallow, Chief of Police

Anticipated completion date: March 31, 2010

2009-9 Social Security Benefits

Condition: The City Police Department is not submitting information to the Social Security Office on prisoners in order for the City to collect social security benefits of prisoners incarcerated for over thirty days.

Criteria: The City must have procedures in place to ensure that all revenue is properly applied for. On prisoners receiving social security benefits who are incarcerated for over thirty days, the City must notify the Social Security Office so that the benefits will be paid to the City.

Cause: The City does not have procedures in place to ensure that all revenue is applied for.

Effect: The City is not receiving income which it is legally entitled to.

Recommendation: The City Police Department should immediately begin notifying the Social Security Office.

Corrective action planned: The system is now in place to submit information online to the Social Security Office as it relates to inmates who are incarcerated over 30 days in order for the City to collect that inmate's Social Security benefits. The Opelousas Police Department has submitted one report to the Social Security Office thus far for this fiscal year and will continue to do so on those inmates who meet the required criteria.

To the Honorable Donald Cravins, Sr., Mayor
and the Board of Aldermen and Alderwomen
Page 4

The Wardens Section is designated to follow up on Social Security Benefits of qualifying inmates.

Contact person: Perry Gallow, Police Chief

Anticipated completion date: March 1, 2010

John S. Dowling & Company
Opelousas, Louisiana
February 27, 2010